

Euro 96
20 page
guide



Sara Thornton's love letters from prison

Section Two, cover story



The man from the MoD who believes in UFOs

Second Two, Living



THE INDEPENDENT

3,003

MONDAY 3 JUNE 1996

WEATHER Starting dry, then wetter 48p (IR 45p)

Cabinet tension as beef vetoes continue

COLIN BROWN
Chief Political Correspondent

John Major and senior Cabinet colleagues last night agreed to continue blocking European business to get the ban on beef exports lifted, in spite of warnings that it could harm British business interests abroad.

There were tensions in the Cabinet in spite of an attempt to present a united front. Kenneth Clarke, the Chancellor, who attended the "war Cabinet", was said to be concerned about continued retaliatory action.

The Prime Minister summoned ministers to Downing Street to agree to carry on the action after the expected partial lifting of the ban today by the agriculture minister's council on exports of beef products, tallow, gelatin and semen.

It will include blocking a move to declare 1997 anti-racism year.

The Cabinet agreed to maintain the blocking of EU business until a framework for lifting the ban is agreed. Although Douglas Hogg, the Agriculture Minister, will present a 20-page dossier today, detailing Britain's plans for dealing with BSE, including culling up to 80,000 cattle, unpublished figures obtained by the *Independent* show the incidence of BSE among young cows has barely changed in the past six years. Among cows under five years old, the percentage has fallen from 2 per cent in 1989 to 1.5 per cent in 1995; among cows aged more than six, the incidence of 3 per cent in 1995 is the second-highest in the past seven years.

Robin Cook, Labour's foreign affairs spokesman, warned the Chancellor that he will be made to look "an ass" by blocking a measure this week to combat fraud in the EU, which Britain supported.

Calling for Britain to "de-escalate" the action, Leon Brittan, Britain's senior European Commissioner, warned Mr Major: "Don't let Euro-sceptics call the tune. The Conservative Party is not going to win the election by rabid anti-Europeanism. That will look like panic."

Hugh Dykes, a leading Tory Euro-supporter, said: "To base

the policy stance on an attitude of pleasing the pantomime figures of Norman Lamont and Theresa Gorman must be seriously worrying to the whole of the Cabinet."

The CBI, which this week is mounting a campaign to support business in Europe, expressed fears that the row over beef is damaging business interests.

Adair Turner, director general of the CBI, said the anti-European press, which had supported the Government's action, was "not helpful".

"It will be concerning if it goes on - both in terms of our reputation and people's feeling of our commitment to Europe," he said on the BBC's *Breakfast with Frost* programme.

Senior ministers said last night they were "depressed" by opinion polls showing no improvement in the rating, in spite of the action. Mr Hogg, with the Foreign Secretary, Malcolm Rifkind, will embark on a tour of European capitals later in the week to put the case for lifting the beef ban.

The former foreign secretary, Douglas Hurd, said "trench warfare" with Brussels would be counter-productive: "I think that [non-cooperation] is reasonable as a short-term tactic,

but to settle down to some sort of trench warfare, particularly against things that we are in favour of, would of course be counter-productive."

He also cautioned Mr Major against shifting to a more Eurosceptic policy to court popularity. "It's a mistake, even on a narrow political calculation, to suppose that electoral or even personal salvation lies in going down that road", he told LWT's *CrossTalk* programme.

Three former European Commissioners and three former senior British diplomats today issued a joint statement warning that retaliation threatened to relegate Britain to "second class status within Europe".

Those signing the statement, issued by the European Movement, included Lord Jenkins, the former SDP leader, and European president and Bruce Millan, a former Labour MP.

Ministers' offensive, page two

The Confederate Case, Page 13

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Ministers' offensive, page two

Since in our culture norms of parenting are private it is some-

times the children who establish a common standard of behaviour among the selves.

How many parents have wil-

ed under the claim of "put so-

and-so parents let him/her stay

until late?"

In the consultation paper of

Youth Justice, which we pub-

lished a fortnight ago, we pro-

posed much greater emphasis

on education for parenting.

There is good practise around

the country but too little is given

the publicity it deserves.

This is odd, since our society has

long insisted that parents'

rights" should be tempered by

the community. For example,

children have a right to education

and parents a duty to see that

their children turn up at school

on time.

Of course, we have to avoid

being too prescriptive. But I

know of no one who thinks that

the interests of children aged 10

and under served if they are out

in the street unsupervised at 11

at night and if such behaviour does not serve their interest

(and can certainly disrupt the local community) the next question is what to do about it.

One idea which we are cur-

rently considering is that local

authorities with the agreement

of the police and after consul-

tation with residents, should be

able with by-laws to enforce cur-

fews restricting children 10 and

under from being out unsupervised in the street late at night.

A key element in this ap-

proach is that it would be local.

The very process by which

sullen and frustrated complaints

were turned into positive debate

about basic standards of be-

haviour in an area might of it-

self lead to much better agree-

ment among parents, teachers

and police about young people's

behaviour and for example the

time that children of a certain age should be home.

These local debates might

well identify the need in the

youth service, in after-school

clubs, and in parenting educa-

tion. Local agreement might

then emerge that the enforce-

ment of curfew by-laws should

be a last resort when these

other measures had failed to

work by themselves.

Will this approach work?

No one can say for certain un-

til it is tried - and we welcome

views about it. But little might

be lost and a great deal gained

by some properly monitored pil-

ot schemes.

Children have civil liberties

and parents responsibilities.

Doing nothing means taking lib-

erties with many children's fu-

tures.

Despite concern among par-

ents over the deviant behaviour

of some children, none sup-

ported a curfew. Nicola Baxter,

41, lives in Maida Vale where

headteacher Philip Lawrence

was fatally stabbed last year. She

has two daughters aged 12 and

15 and said: "The worst trouble-

makers are never going to be con-

trolled by something like this."

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Labour plans curfew for William and gang



Children on the streets of Walker, in Newcastle upon Tyne. The Just William image of youngsters finding fun on their own has become tarnished. Photograph: Richard Rayner

COLIN BROWN

A plan by Labour's home affairs spokesman to impose a 9pm curfew on children aged under eleven met with scepticism from Shadow Cabinet colleagues last night and was attacked as "big brother" by the Government.

Home Office minister Timothy Kirkhope said: "The idea of a wholesale curfew is an affront to the majority of well-behaved young people. This policy of a general curfew espouses the values of a socialist big brother who wants to control everything and is simply unable to trust anybody to exercise individual responsibility."

Tory MPs privately welcomed the curfew proposal by Jack Straw. "We have nine and 10-year-olds causing chaos after nine o'clock at night and there is nothing you can do, because

yobbish behaviour is not illegal," said one.

However, Donald Dewar, the Labour chief whip, said he was not sure curfews would be "workable". He told BBC's *On the Record* programme: "I haven't discussed it. I haven't looked at the practicalities."

"My first instinct is that this is a problem of very real proportions. I'm not sure that a curfew would be a workable solution. But what I do believe is that any responsible party should be considering these problems."

Simon Hughes, the Liberal Democrat spokesman, attacked curfews as "the latest simplistic, unenforceable and dangerous Labour idea".

Mr Straw strongly defended the idea, which he said would be considered as part of the wider Labour policy plans for

Tory areas, of children being allowed to run in gangs at night, and that there will be public support for a curfew.

Home Office sources said they had no plans for introducing curfews, but a wide-ranging Bill on law and order is planned for the autumn, which Labour could use to raise the curfew plan.

The police are likely to complain they lack the resources to shoulder the burden of catching children, but Mr Straw said other initiatives to curb teenage crime including banning street drinking in some towns had released police to do other duties.

"My preference would be for children aged 10 and under to be off the streets by 9pm," Mr Straw said. "But it would be up to the local authorities to decide. This is not jack-booted centralism."



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news

For sale: luxury jet (clamped)

ROS WYNNE-JONES

The High Sheriff of Kent is to decide on a buyer this week for Britain's largest and most expensive impounded vehicle: a Saudi luxury jet.

The £1.5m Boeing 707, which has accrued parking fines of £8,000 a month at Kent International Airport in Maidstone, is set to take off again after tenders were invited last week.

The Sheriff seized the plane in January, and, to prevent its owners from attempting to steal it back, some equipment has been removed.

At least fifteen creditors have taped wrists to the aircraft, demanding about £100,000, and an investigation was launched last year to trace the owners, believed to be an elusive company called Al Wizzar.

David Hedges, the airport's commercial manager, denied reports that the jet was equipped with a four-poster bed and a gold-plated jacuzzi, or that it had been used for "immoral purposes". In reality, an airport statement said, it was a "modestly luxurious executive jet".



Paper chase: Sticky-tape holds creditors' wrists in place in the cockpit of the impounded Saudi jet to be sold in Kent this week. Photograph: Brian Harris

Beef war: New cases of CJD threaten to sabotage government's campaign to block EU business

Ministers launch veto offensive

SARAH HELM
Brussels

This week could be make-or-break for the Government's beef war. Ministers head for Luxembourg today armed to the teeth with vetoes, hoping their campaign of obduracy will at last win concessions on the beef ban.

The likelihood is, however, that the new Luxembourg offensive will sink the Government ever deeper into the quagmire.

Reports yesterday that five new cases of Creutzfeldt-Jakob disease (CJD), the brain disease linked to BSE, have been uncovered in Britain, spread renewed nervousness across the Continent.

Threats of new disruption from the Government raised jitters in European capitals. Fresh scorn will be heaped on the British ministers as they veto more proposals for which they have long campaigned.

Kenneth Clarke, the Chancellor, in Luxembourg for a meeting of finance ministers today, will block new measures

aimed at combating EU fraud. Eric Forth, the employment minister, will block an anti-racism proposal, and tomorrow Michael Howard, the Home Secretary, will block a raft of crime-fighting and asylum measures.

With no progress in Luxembourg, the baying packs of British Eurosceptics will go wild, driving Mr Major on to the deployment of heavier weaponry, and pressing him to wield the British veto to kill off the Florence summit.

Luxembourg has already witnessed several defeats for Douglas Hogg, the Secretary of State for Agriculture, as he has tried in recent weeks to bring about an end to the ban.

Today Mr Hogg's first aim is to win a lifting of the ban on gelatin, semen and tallow.

For the measure to pass, Germany and Austria – the two strongest opponents – must decide, for the first time, to back Britain.

To date, Britain's anti-BSE measures have failed to assure either the Commission or Europe's partners, which argue that the programme is chaotic and badly monitored. Malcolm Rifkind, the Foreign Secretary, is due to present

Britain's ideas for a framework at a meeting with Jacques Santer, the European Commission president, in Brussels tomorrow.

Although the Commission is prepared to discuss a phased lifting of the ban, officials make it clear Britain will be offered no timetable. Nobody in Brussels believes there is any hope of elements of the ban being lifted before the Florence summit beginning on 22 June.



Howard: Will block Europol

Britain to say: 'non', 'nao', 'oxxi', 'nein' ...

Britain is set to reject a series of measures this week:
No: Combating EU fraud. In the finance council, Mr Clarke has until now led the campaign for new measures to protect EU spending from fraud.

No: Increased loans to Latin America and Asia. Mr Clarke has previously supported the loans. Opposition will anger the Spanish.

No: New VAT rules for cut flowers. The measure was a Dutch proposal. Mr Clarke, to date, has not opposed.

No: Europol. Germany has led the campaign for Europol, which is widely viewed as

essential in the fight against international drug-trafficking, terrorism and crime. Mr Howard supports the principle, but objects to the involvement of the European Court of Justice. Mr Howard will use this objection to block the entire project.

No: Tighter asylum laws. A complex series of new asylum laws is being put in place. Mr Howard supports them but will hold up progress on Tuesday.

No: Europe's 1997 "anti-racism year", intended to combat xenophobia and promote equal opportunities for minorities. In the social affairs council, Britain has always had doubts about EU anti-racism measures, but Mr Forth was ready to view the "anti-racism year" as positive – until the beef war.

No: Reducing discrimination against women in business and industry.

No: Making it easier for people with vocational training to seek work in other member states. Britain has previously supported this No: Monitoring population changes in the EU.

tomorrow.

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Rate of BSE in young cattle remains stable

CHARLES ARTHUR
Science Correspondent

Unpublished government figures show that the incidence of Bovine Spongiform Encephalopathy among young cows has barely changed in the past six years, suggesting that measures to stamp out the disease are failing.

Statistics collected by the Ministry of Agriculture, Fisheries and Food (Maff), and seen by the *Independent*, demonstrate that among cows aged up to five years old, the percentage confirmed with BSE has only fallen from 3 per cent in 1989 to 1.5 per cent in 1995. Among cows aged six years or more, the incidence of 3 per cent in 1995 is the second highest in the past seven years. Only 1994 had a higher incidence, of 3.2 per cent.

The figures suggest that the Government proposal to cull all cattle over 30 months old will not prevent the disease persisting into the next century.

A Maff spokeswoman said yesterday: "We think there is still a continuing low level of contamination. This would mean that infected parts from cattle are passing back into animal feed and being consumed by young cows,

though this figure varies.

The new figures, which include cases up to 15 May, suggest either that the disease is passing from mother to calf – "vertical transmission" – or that cattle feed is still contaminated with the agent that causes BSE, or both.

They also imply that many cattle which are incubating the disease are being slaughtered and consumed in food, since a proportion of those killed at any age must have been due to develop the disease later in life. Dr Stephen Deale, an independent scientist who has made a statistical analysis of the spread of the disease, said the figures suggest that for every one case of BSE that is diagnosed, another seven cattle incubating the disease are slaughtered and eaten.

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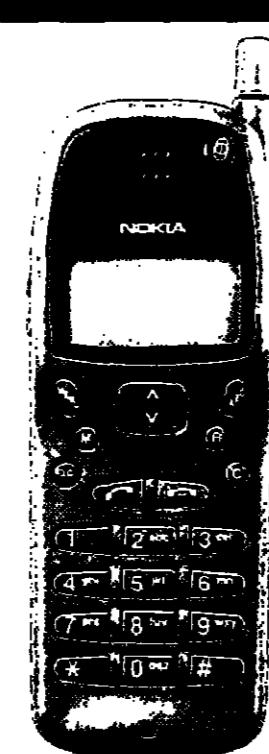
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Facia shops face closure

NIGEL COPE

Some of Britain's best known high street names will open for business as usual today even though their parent company collapsed into receivership over the weekend.

Receivers were appointed to the Salisbury's luggage stores, Oakland menswear, Contessa lingerie, Torq jewellers and the Red or Dead design group after bankers withdrew their support from the parent company, Facia.

It collapsed with debts of £30m on Saturday and accounts show the group had made a loss of £9m in the last 18 weeks.

Yesterday, Facia's chairman, Stephen Hinchliffe, was in talks with potential financial backers about a possible bid to buy the company back from receivers KPMG, said it had not yet received any offer from Mr Hinchliffe. However, there have

been several expressions of interest in buying some of the stores and one inquiry about the whole group.

Around 300 shops and 6,000 jobs are involved. KPMG say they hope to avoid closing any stores. There are also no immediate plans for jobs losses. KPMG's Ian Thompson said: "The attitude of staff has been exemplary. We are still reviewing the position but I will make sure that if there are any job losses they will be kept to a minimum."

Facia also owns a string of high street shoe shops including Freeman Hardy Willis, Savone, Curless and Manfield. These are not included in the receivership. However there is a court hearing at noon today that will decide whether those chains should be placed in administration. The move was triggered by Sears, the Selfridges retail group, which sold the footwear stores to Facia.

The funding of the group was always a mystery. Many retail experts struggled to see how Mr Hinchliffe could make such a disparate group of faded brand names work in such an intensely competitive retail environment.

Mr Hinchliffe is also facing proceedings by the DTI which could see him disqualified from acting as a director for up to 15 years. He is vigorously defending the proceedings.

Hinchliffe move, page 16

Schools inspector's basics lesson

A further broadside against "progressive" teaching is to be launched today by the Government's chief schools inspector.

Chris Woodhead, in an interview for the BBC *Panorama* programme, calls for the "burial" of teaching methods devised in the Sixties, which emphasise individual discovery, and a downgrading of whole-class teaching.

As further evidence of the damage being done, he will point to a study commissioned by the Office for Standards in Education (Ofsted), which will show how maths and science standards have slipped behind Britain's competitors.

The study, by Professor

David Reynolds of Newcastle University, comes on top of worrying evidence about poor literacy in primary schools. Labour has joined the Government in calling for a return to "traditional" methods of teaching as one of the keys to raising achievement.

In today's interview, Mr Woodhead calls for the "burial" of a concept of primary education that says "...the innate potential of each child has [merely] to be unlocked". He calls for more direct, whole-class instruction – which he says accounts for only a quarter of teaching in English primary schools. The proportion, he says, should be nearer 60 per cent.

He acknowledges that increasing pressure on primary schools has potential danger, but says the dangers of continuing with low expectations of children's potential are far greater.

SIGNIFICANT SHORTS

Tens of thousands of firearms are expected to be handed to the police in the next month as a nation-wide gun amnesty begins today. Feelings of concern and revulsion stirred up in the wake of the Dunblane massacre have already encouraged thousands of gun owners to give up their weapons. Hundreds of people holding certificates for guns have also come forward to renounce their licences, vowing not to bear arms again. There has been a particularly strong response in Scotland, as holder of licences have reacted to the distressing details being released during Lord Cullen's inquiry into the Dunblane tragedy, which continues today.

Central Scotland Police, whose area covers Dunblane, has seen a fivefold increase in the number of weapons handed in. As part of the bait-and-switch to the killings at the Scottish school, the Government announced an amnesty to allow guns to be handed in to the police without fear of reprisal, although if any weapons are found to have been used in a crime they will be investigated. In a similar scheme following the 1987 Hungerford massacre, in which Michael Ryan shot and killed 16 people, 48,000 weapons and 1.5 million rounds of ammunition were handed over. Critics of the present initiative argue that although it will take thousands of guns out of circulation it will have no effect upon criminals and gun fanatics. Members of gun clubs will also be untouched. *James Bourne*

Crown officials are to be asked to investigate the possibility that a convicted rapist and sex offender who was jailed for murdering a schoolgirl may be responsible for two killings for which another man was jailed. A lawyer acting for Andrew Cameron, 30, jailed 11 years ago for the killings of two teenage girls, is to ask the Crown Office to subject samples from all the cases involved to DNA tests.

His call follows the trial last week at which Gavin McGuire, 37, jailed for 30 years by the High Court in Glasgow for the murder of 16-year-old Mhairi Julian, a pupil at Kilmarnock Academy, who was sexually assaulted and strangled as she walked home from a pantomime. Cameron's lawyer, Joe Beltramini, said yesterday that there were strong similarities between the attacks for which his client was jailed and attacks linked to Gavin McGuire.

The Government is expected to set the date today for the £2m expedition to solve the mystery of the biggest British vessel to be lost at sea. The expedition is planned to resolve a long-running dispute as to why the Teesside-built bulk carrier *Derbyshire* went down in a typhoon off Japan in 1980. The 42-men British crew and two of their wives died in the disaster which an official inquiry at the time blamed on the bad weather. But families of the crew, trade unions and shipping experts argued that structural defects in the vessel were to blame.

A union-sponsored expedition two years ago found evidence that the vessel might have broken up on the surface of the sea rather than when it hit the bottom. This persuaded the Government to set up an inquiry last year led by Lord Donaldson, the former Master of the Rolls, which concluded that a government expedition to the wreck should be carried out. *Louise Jury*

The future of the controversial Jillings report into widespread child abuse in children's homes Clwyd, North Wales is likely to be decided this week. William Hague, the Secretary of State for Wales, is expected to meet council representatives on Thursday to discuss their concerns about finding a publishable version of the report.

He told the councils which took over from Clwyd County Council after Welsh local government reorganisation that he wanted them to find a way of publishing the report. Clwyd refused to publish the report and the successor councils told him of concern that if they make any changes to the report, which names a number of people, it will lose credibility. The study one of the most detailed inquiries into allegations of child abuse calls for a judicial inquiry into what went on in North Wales. *Roger Dobson*

A mother and five of her children died yesterday when a fire swept through their home. Her 25-year-old son was last night critically ill and two other teenage sons were receiving treatment in hospital following the blaze which broke out at 2am in the early hours on a housing estate in Portarlington, Co Laois, in the Irish Republic. The dead woman was named as Bridie Maher. Her husband, Aloysius, who raised the alarm, was unhurt. *Louise Jury*

Seven men are due to appear in court today on firearms charges in connection with the seizure of a haul of guns and ammunition. The men were arrested after a four-month operation involving Cleveland Police and the North East Regional Crime Squad. Police officers said that a "substantial amount" of firearms was recovered, including handguns, automatic weapons, sub-machine guns and component parts of weapons and ammunition.

Two ticket-holders share this week's £11.6m National Lottery jackpot. The winning numbers were 35, 45, 24, 37, 36 and 39, with the bonus 20. Meanwhile Camelot, the lottery organiser, is still waiting for two of last week's five £1m winners to claim their money.

THE INDEPENDENT ABROAD

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Death a sign that people can change

In an exclusive interview, Heather Mills asks Sara Thornton about her turbulent life and future plans to teach prisoners meditation

Sara Thornton wears a blue stone on her forehead between her eyes. It is, she says, her "goddess stone" - a symbol of her inner self.

Her spirituality is something she found when she was in prison. "It means I have a right as a woman to be who I am," she says.

Those who have followed the story of this battered woman who killed her husband, will see her stone and declaration that she is now a "soul" here to teach peace and harmony as evidence of the "madness" which prompted her to kill her husband, Malcolm. Others may see it as an example of her need to attract attention - a feature of the personality disorder she suffers which renders her liable to severe mood swings and sometimes inappropriate reactions. Sara sees it as her salvation, an indication that her life and Malcolm's death have some meaning - a sign that people can change.

With a woman so full of complexities and contradictions, there are no simple explanations. That is why she became a champion for the battered women's cause, only to be later sidelined because she did not play the part of the helpless victim. She fits no stereotype and can be her own worst enemy.

A tiny woman, about five foot, and terribly thin - she bounces in from a shopping trip. "I've had so many people say how happy they are that I am free. I have had so much support. It means so much. I need that support."

It is one of her many contradictions. In another breath she says: "Do you think my feelings of self-worth depend upon the press coverage or what Malcolm Thornton's family think of me. No they do not. It doesn't hurt me, it hurts them."

But despite the tough words there is the impression that Sarah does hurt and very badly - her body language betrays the conviction in her voice, a gentle rock or a sudden leap up and out of the room when we touch on raw nerves.

Sara Thornton became a household name when her first appeal against her compulsory life sentence for the murder of her husband, stabbed while he lay in a drunken stupor, failed. Her case highlighted an apparent discrepancy in the law which allowed men who acted in sudden anger a defence of provocation - even if the provocation was trivial. But it was denied to women, particularly battered women, who may have finally snapped after a long, slow build-up, but could not show the necessary "sudden and temporary" loss of control.

Her case raised public awareness of domestic violence (it ac-



Sara Thornton at her home in north London. "People would rather think I did it because I was mad than because society let me and Malcolm down" Photograph: Peter Macdiarmid

counts for one in four violent crimes) and placed reform of the homicide laws on the legal and political agenda.

Other women, such as Kiranjit Ahluwalia and Emma Humphreys who killed violent partners, benefited and were freed by the appeal court after their murder convictions were reduced to manslaughter. Last year, Sara's conviction was quashed by judges who ordered a retrial for murder. Although she was released on bail from prison where she had spent five years, she risked being sent back.

Last week, an Oxford jury convicted her of manslaughter after being asked to consider two options - that she was provoked by her husband's alcoholism and violence, or that her responsibility was diminished because she suffered from a personality disorder. Although no one knows on what grounds the jurors reached their unanimous verdict, the judge sentenced her to five years, finding diminished responsibility.

That makes Sara very angry. The judge had no right to do that. He didn't know what the jury was thinking or how the verdict was reached. But it was politically expedient because people would rather think I did it because society let me and

Malcolm down. Everybody knew - his friends, the police - that he was ill, that he was drunk in alleys, that he threatened to kill me. But nobody cared about him before his death - only afterwards.

Sara agrees she suffered less abuse than some women, adding: "Kiranjit was not battered, she was tortured. What

abused me because I abused myself," she says. The five year jail term was fair - but she adds: "It is only fair if men start getting that kind of sentence as well". She is right again. "What sentence do you think Malcolm would have got if he killed me?" she asks.

"What everyone forgets is that I loved him and he loved me and that between these episodes we had some really good times."

Sara chose not to give evidence during her second trial, because she says she has talked so much about the killing - particularly to psychiatrists - that she sounds like one herself. "I honestly do not think I could have given a true account of what happened."

"All I know is that I didn't mean to kill him. I mean I am supposed to have this extreme personality and I would have stabbed him loads of times if I meant it - not just once. I know I was at the end of my tether, I was angry. I was frightened, I don't know, it was crazy."

Certainly her behaviour immediately afterwards was bizarre. She called an ambulance, put some washing on, patted the bottom of one of the policemen who arrived and offered to cook everybody pasta. Surprisingly, her father,

Richard Cooper, gave evidence for the prosecution. Asked why, she gets up and leaves. "I can't talk about that."

She was born 41 years ago into what should have been a South seas children's idyll of beaches and blue skies. Her father worked for the British government on the Pacific islands and her mother, Jane, was a marine biologist.

But she and her sister Billi, grew up in a house echoing with

turbulent rows between their parents. The father is portrayed as a distant figure, and although he denies it, the daughters say their mother was consumed with a sense of failure as a daughter and a mother.

The girls withdrew forming the bond that still holds them together. They are said to have handled rejection and their quest for affection differently - Sara becoming volatile and rebellious, Billi withdrawn.

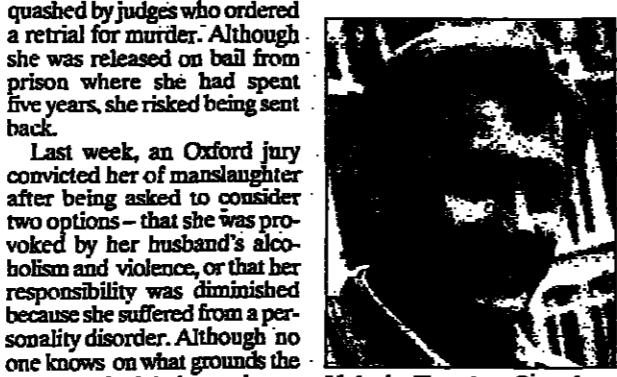
Sara made several attempts at suicide - the first as a teenager

er, the last in her 20s. The scars across her left wrist, and even more alarmingly on either side of her neck, show she was serious. It was, she says because she was consumed with a sense of

failure as a daughter and a mother.

She will not speak about her

father, but she does talk of the violence dished out daily by her now dead mother - a painful testimony supported publicly during last week's trial by Billi, also estranged from their father.



Malcolm Thornton: Sara does not blame him

are you saying? That there are levels of hating which are acceptable?"

In another contradiction, she neither blames Malcolm, nor men for domestic violence. "Malcolm and I were a disaster waiting to happen. We were mirror images of each other. He

came by Baroness Cumberlege, a junior health minister. And from September she will be able to recommend *The Nigel Lawson Diet Book*.

One diet that didn't work for Lord Lawson, was the "White law regime", named after his former colleague Willie Whitelaw. The top tip from Willie was to give up spirits and drink wine instead. This method "slowed the upward trend" for Mr Lawson but hardly helped him to lose weight. The House of Commons Weightwatchers chapter also proved fruitless, as Lord Lawson expanded rather than dwindled while a member. Even when the former vari-

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Lazy Britons set to tip the scales in new millennium

ROS WYNNE-JONES

Britons will weigh more in the new millennium, the food and drink industry warn today as fat remains firmly in the headlines and MPs come clean about their private battles of the bulge.

Lord Lawson, the former Chancellor of the Exchequer, revealed the secret struggle of his dramatic downsize from 17 stone to 12; the Princess of Wales declared war on wails in the fashion industry; and Omega, the watchmakers, abandoned their stances decrying super-thin models to announce they would be advertising in *Vogue* after all.

Edwina Currie, meanwhile, exposed the former Secretary of State for Health, Kenneth Clarke's idea of a diet as: "the largest pizza you have ever seen" and a "huge cigar".

A conference of 200 health experts will hear today that one in four Britons will be obese by 2005. The reason is pure laziness, said the Food and Drink Federation, launching an exercise and healthy eating campaign.

The conference, attended by scientists, doctors, government officials and fitness experts at the Royal Society of Medicine in London, was called in an attempt to avert a future peopled by overweight couch potatoes.



Before and after: An expansive Lord Lawson (left) before his diet seriously (right)

combed by Baroness Cumberlege, a junior health minister. And from September she will be able to recommend *The Nigel Lawson Diet Book*.

One diet that didn't work for Lord Lawson, was the "White law regime", named after his former colleague Willie Whitelaw. The top tip from Willie was to give up spirits and drink wine instead. This method "slowed the upward trend" for Mr Lawson but hardly helped him to lose weight. The House of Commons Weightwatchers chapter also proved fruitless, as Lord Lawson expanded rather than dwindled while a member. Even when the former vari-

ty skier fell over while on a 1993 ski expedition, and was unable to get up unaided, he kept on eating. The onset of arthritis in his knee, however, started a determined diet that has left him looking half the size of his Cabinet self.

Last year the ex-food minister Nicholas Soames, cruelly known in Westminster circles as the "Crawley Food Mountain" went on a diet for charity. His progress to date is unfortunately less visible than Nigel Lawson's. "The only thing that worries me is that it is not my nature to be a very thin man," he said. "I do want to enjoy life to the full. But I am optimistic."

The Times
in today's
Independent



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Row over doctor shuts specialist children's clinic

LOUISE JURY

Britain's only clinic for children with neurological and genetic disorders due to a special vitamin deficiency has closed after a row over its staff and standards.

The Vitamin B12 Unit of Chelsea and Westminster Hospital in London, one of only four in the world, can no longer offer specialist advice and testing because of a dispute over the future of Dr Ray Bhatt who ran it. The hospital said it cannot vouch for the safety of his patients until the pioneering work, which is classified as research, has been reviewed by other experts.

It offered him a short-term contract while this was carried

out. But he refused the contract and said the hospital was holding up the review process.

The row has left more than 300 patients, mainly children, unable to continue treatment or at risk of treatment without appropriate checks. They suffer from conditions including severe brain disorders, seizures and near-paralysis, thought to be linked to a deficiency of the vitamin B12.

Angry parents have criticised the hospital trust for the closure and for tardiness in making alternative arrangements for treatment.

Professor Victor Herbert, of New York's Mount Sinai School of Medicine, a world expert, wrote to Stephen Dorrell, the Health Secretary, to support Dr

Vitamin treatment held out ray of hope

Baby Josie Raven has been so ill since birth that at one point her parents were told to prepare for the worse. But her seizures improved after she was sent to Dr Bhatt, writes Louise Jury.

He found that a previous treatment was poisoning the child and thought a vitamin B12 deficiency was linked to her condition. He set her on a course of injections to tackle it.

At 27 months the little girl is still desperately ill. But for her parents, Roy and Fran, Dr Bhatt was the only person who convinced them he might unravel Josie's case. They are furious at the closure of the unit and the delay in making alternative arrangements.

"My real complaint about Chelsea and Westminster is the complete lack of understanding of the urgency of it," said Mr Raven, 37, a teacher in Broadstairs, Kent.

"These are children who are being damaged by 10, 12 sometimes 20 fits a day."

The consultant in charge of her case told Mr and Mrs

Raven the fits were "inextricably linked" with the vitamin B12 deficiency. But he cannot continue prescribing the B12 injections, which have proved so useful, because the necessary blood and urine checks cannot be carried out. "It's absolutely monstrous," Mr Raven said.

Mandy Brumskill agreed. Her four-year-old autistic son, Liam, has also been affected by the closure. He is continuing to have B12 injections, but she is alarmed that the specialised checks cannot be done to monitor his condition.

Mrs Brumskill, 32, of York, said the injections had made a significant difference to her son's life. She consulted staff at Great Ormond Street when the unit closed. "But the professor there said it was only the vitamin B12 unit who dealt with the situation. They said it

was the only one which understood all the deficiencies."

Dr Bhatt's plea for the closure to be investigated. He said Dr Bhatt was "by far the most distinguished physician in England in the area of biochemical defects due to B12 deficiency producing psychiatric damage, and just about the only one in England capable of not only diagnosing such conditions but also effectively treating them."

Professor Herbert added: "It would be a tragedy, not only for England, but for the world, if Professor Bhatt's honorary contract is not renewed, and if the B12 unit is not re-opened."

The unit became part of the Chelsea and Westminster Hospital in an NHS shake-up two years ago. Its pioneering work continued with charitable funding, which ended last year.

The hospital wants the work scrutinised by its ethics committee, which is a health service requirement, and says the B12 treatment must be assessed. But it has failed to reach agreement with the doctor and he plans to claim unfair dismissal at an industrial tribunal.

Dr Bhatt said: "It's a great shame for British medicine. This is an international unit and we have patients who are desperately ill."

However, Dr John Collins, the Chelsea and Westminster Healthcare Trust's medical director, said the hospital was doing everything it could to sort out alternative testing for children undergoing treatment.

Dr Collins, who emphasised the unit had only come under the trust's control two years ago, said that until the work had been reviewed, they had to proceed with caution. "We understand the parents' position, but we are responsible for the safety of their children," he said.

Peter Griffiths, of the Charter Cross and Westminster Medical School, which employs Dr Bhatt as a researcher, said:

"We're not normally in the position where treatment is dependent on research funding and we're very unhappy that the school is involved. However, it is really a matter for the trust."

Hundreds tune up and get down to some serious playing around in the Peak District



Finger pickin' good: Musicians pick up their banjos and guitars for a jamming session in a barn at the 20th bluegrass music festival in Edale, Derbyshire – three days of meeting up and mellowing out to a style of country music with its roots firmly in the grasslands of Kentucky. Photograph: Howard Barlow

Police target cross-border crime gangs

JASON BENNETT
Crime Correspondent

A campaign to crack down on criminal gangs that carry out nation-wide operations involving robbery, burglary, counterfeiting and drugs, is being mounted by the police.

A study has shown that at least 10 per cent of crimes are believed to be the work of organised gangs moving around the country, usually into neighbouring police force areas. In some types of crime, such as burglary, up to one-third of all offences are believed to have

been the work of outside gangs.

Police chiefs are concerned that many organised crimes which take place between different force boundaries are going undetected because of the lack of co-operation between chief constables. At present, there is no single organisation responsible for tackling these sort of crimes, which are not considered serious enough for the regional crime squads to deal with. Similarly, the forthcoming national crime unit is not expected to deal with these offences.

To help co-ordinate future

police operations against the cross-border criminals, a new task force is being set up. Measures are also being taken to ensure that police forces share more information and intelligence and take part in joint operations. Police chiefs are particularly concerned about property crimes, such as large-scale burglaries, bank and building society robberies, car crime, drug dealing, counterfeiting goods and money. They will also be looking at links between some murders, and sexually and physical assaults.

Colin Philips, assistant chief

constable at Greater Manchester Police, is chairman of the new Cross Border Crime working party, which was set up by the Association of Chief Police Officers' crime committee.

Under the new initiative his team has begun holding meetings with senior officers from forces throughout England and Wales to help plan and discuss joint operations. Mr Philips wants to encourage greater sharing of intelligence and ensure there is greater recognition of the problem. "Increasing numbers of criminals are ignoring force boundaries. Peo-

ple are more mobile and willing to travel around the country to commit crime," he said.

"There's a gap with the current system and there's no one specifically dealing with many of the more sophisticated career criminals, who carry out offences such as burglaries, robberies and drug dealing ... We want to reverse that trend and introduce greater co-operation and joint force operations."

Senior police officers will discuss the progress of the scheme at Acpo's summer conference next month.

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1	2	(3)	4	5	6	7

QUIZ:

Residence	With Parents	Rest Residential	Rest Unsubsidised	Own Managed	Own Clear
1	2	3	4	5	6

Years at Present Address

Under 2 Years	2-4 Years	5-8 Years	9-10 Years	11 Years or more
1	2	3	4	5

Gross Monthly Income

£500-£750	£751-£1000	£1001-£1250	£1251-£1500	Over £1500
3	4	5	6	7

Years with Present Employer

Under 5 Years	5-8 Years	9-10 Years	Over 10 Years
1	3	4	5

% Monthly Income Remaining After Outgoings

Less than 5%	10%-34%	35%-50%	51%-55%	Over 55%
1	2	3	4	5

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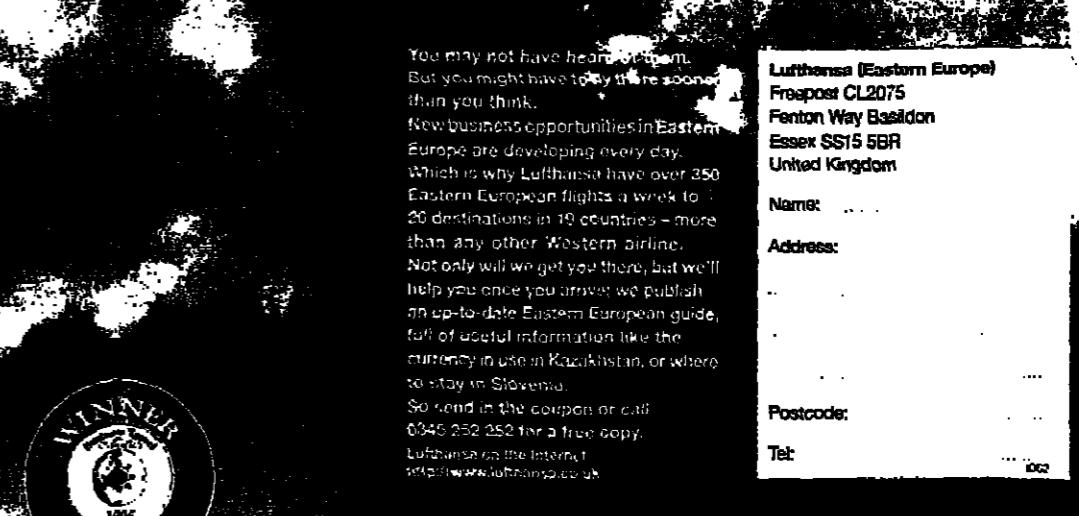
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SIGNIFICANT SHORTS

A six-year-old boy chosen as Tibet's spiritual leader by China - against the wishes of the Dalai Lama - has been initiated as a monk in a ritual in a 15th-century Tibetan monastery, official media said.

The ceremony, attended by hundreds of chanting monks, marked another step in Peking's efforts to legitimise the boy's position as the 11th Panchen Lama, the highest Buddhist leader inside Tibet, and strengthen its rule of the remote Himalayan region. China enthroned the child last December, snubbing the Dalai Lama, Tibet's exiled spiritual and temporal leader, who had chosen another six-year-old as Panchen Lama.

The Dalai Lama's choice disappeared shortly after he was picked in May 1995. Last week, Peking admitted to holding the boy, saying they were protecting him from kidnappers by Tibetan separatists. *AP - Peking*

Four Russian soldiers were killed in Grozny, the Chechen capital, when their armoured personnel carrier hit a mine. At least five others were injured.

Heavy fighting had marred the first day of the proclaimed ceasefire on Saturday as the Russian army said the rebels detonated yesterday's device by remote control. The separatists accused the Russians of violating the ceasefire with a helicopter gunship rocket strike against rebel forces in the south-west.

Although Russian leaders have hailed the accord as a way to peace and Chechen leaders have approved it, many ordinary people and soldiers view the latest moves as electioneering tied to Russia's presidential vote. *Reuter - Grozny*

The second round of Albania's third general elections opened, roundly by a boycott by most opposition parties and calls from the West for a partial re-run.

Opposition parties pulled out of the first round of the ex-communist state's elections on 26 May, citing manipulation and voter intimidation, also noted by European observers. They refused to participate in the second round. *Reuter - Tirana*

Bosnian elections by mid-September were strongly backed by the US at talks in Geneva, despite difficulties including the continued role of indicted war criminal Radovan Karadzic as nationalist Serb leader. Democratic polls in the shattered Balkan state are seen as a key stage in the peace accord reached at Dayton last November. *Reuter - Geneva*

Awarning letter to the British School in Riyadh, the Saudi capital, has been passed to security authorities, reflecting nervousness among Westerners in the kingdom.

The school, also known as Saudi Arabian International School, told parents in a letter handed to pupils on Saturday that it had received "a written communication which, whilst not directly threatening, could be construed as such".

The school letter did not disclose the contents of the warning. *Reuter - Dubai*

One of India's two main communist groups joined the country's centre-left coalition government, giving them their first taste of power at the federal level since independence in 1947.

The Communist Party of India decided to join the 13-party United Front government headed by Prime Minister Deve Gowda. No major ideological shift is expected in the government as a result of communist participation, politicians say.

Deve Gowda has signalled he will go ahead with free-market policies that he is known to favour. *Reuter - New Delhi*

Macedonia's first ambassador to Belgrade has been appointed. The country, the only former Yugoslav republic to secede peacefully from the Balkan federation, named Stanko Milosevski, a university law professor, as the first ambassador from any of the former Yugoslav republics to be sent to Belgrade, capital of the old federation.

His appointment followed mutual recognition of Serbia's rump Yugoslavia and Macedonia in April. *AP - Belgrade*

A new Singapore tribunal to help parents collect maintenance from children has won immediate business, confounding sceptics who thought Asian parents would not want to take such legal steps.

The Tribunal for the Maintenance of Parents received 11 claims and several telephone queries on Saturday, its first day of business. Set up under legislation passed last year, the tribunal was established to provide a legal mechanism for neglected parents to claim maintenance from their children. *Reuter - Singapore*



Centre of attention: Former tennis star Ilie Nastase, who is standing for mayor of Bucharest in Romanian local elections, briefs journalists after casting his vote yesterday. Nastase said he was preparing himself for a second round of voting

Photograph: AFP

'Hoax' Aids cure makes a fortune for Kenyan coterie

David Orr in Nairobi reports on scientific clashes over the mystery 'miracle' drug for HIV

It has both been hailed as a miracle cure for AIDS and dismissed as a worthless hoax. The man behind the product, a University of London-educated doctor with influential connections in the Kenyan government, is variously known as a brilliant scientist or a commercial opportunist. What is certain is that his compound is making a fortune for a small coterie of people able to flout the law with impunity.

Pearl Omega first hit the Kenyan headlines earlier this year with claims by Professor Arthur Obel, a high-ranking government employee, that he had discovered a cure for AIDS. He said the drug had restored the health of seven AIDS patients since trials began in 1991.

However, having produced no scientific data to back up his assertions, the doctor, aged 56, soon found himself under attack from Kenya's medical establishment. Even President Daniel arap Moi intervened to say there was no known cure for the epidemic.

More recently, Professor Obel has attracted attention by dismissing as useless AZT, the foremost AIDS management drug, and by claiming that condoms being exported from

Britain were laced with the HIV virus. "Pearl Omega is still at an experimental stage," Professor Obel told the *Independent* in a telephone interview. "But it has had no untoward effects on anyone and the government has validated it."

"I have patients from all around the world, including the UK. The problem is that Pearl Omega is being sold on the black market by unscrupulous doctors."

"I'm even having difficulties with medical colleagues. I give them samples to analyse and they sell it to people without my permission."

What Professor Obel failed to say was that he himself has illegally been selling the product. Under Kenyan law, any new drug must be approved and approved by the ministry of health before it can be put on the market. Yet, despite the fact that no licence has been issued for the sale and distribution of Pearl Omega, bottles of the herbal potion are being sold at the pro-

duct's website.

Further attempts to get information about the concoction have proved difficult. Professor Obel, who had agreed to meet the *Independent*, failed to turn up at the appointed venue. He later said he had received "directive" not to give interviews.

Kenya's medical establishment has also had difficulties in acquiring information on Pearl Omega. Professor Obel says his discovery will be registered today.

Professor Obel and Pearl Omega have received the fullest backing of the Kenyan government. The Biodiversity Centre which produces Pearl Omega has received substantial government money to produce the compound. Professor Obel, who goes by the title of chief government scientist in the Office of the President, is at all times accompanied by armed government security guards.

A carton of the product contains 12 bottles and retails for 30,000 Kenyan shillings (£350). Professor Obel says it is being produced in large quantities and has been used to treat many patients infected with HIV.

An International Medical Foundation employee told the *Independent* that Pearl Omega was a "guaranteed" AIDS cure. She added that, if a person had

been sick for a long time, two doses would be required.

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Su R urges
boycott
juntas
rallies

Czech election: Havel pushed to fore as right loses majority

Klaus weakened by swing to the left

ADRIAN BRIDGE
Prague

President Vaclav Havel was yesterday propelled to the forefront of Czech politics after the country's ruling centre-right coalition, headed by the Prime Minister Vaclav Klaus, appeared to have lost its parliamentary majority in a general election.

With projections based on final results indicating a political stalemate, the President, who has task of choosing a political leader with forming a new government, looked as if he would become a key player in the delicate negotiations ahead.

Most analysts believed his first choice would be Mr Klaus, the leader of the conservative Civic Democratic Party (ODS), which, despite an undoubted setback, emerged as the largest single party with just under 30 per cent of the vote.

But there were fears that with Mr Klaus's three-party coalition expected to win only 99 of the 200 parliamentary seats, two short of an overall majority, the country could be heading for a period of political instability.

"It is undoubtedly a very fragile situation," said Jaroslav Vets, a commentator for *Jednotka* weekly news magazine. "Mr Havel could have a very important role as moderator."

Many Czechs were caught off guard by the election results, which, although not an outright defeat, represented a slap in the face for Mr Klaus and a less than whole-hearted endorsement of his programme of rapid economic reform.

But unlike other Central and Eastern European countries, where reformed Communists have come back to power in their droves, the Czech protest was more modest. Mr Klaus's ODS remained the largest party, and rather than former Communists, the main winners in the poll were the Social Democrats, a Western-style centre-left party whose leader, Milos Zeman, likes to think of himself as the Czech Republic's answer to Tony Blair.

According to projections, the Social Democrats won more than 26 per cent of the vote, while Mr Klaus's coalition partners, the Christian Democrats and Civic Democratic Alliance (ODA) won just over 8 and 6 per cent respectively. The only other parties to pass the 5 per cent hurdle were the Communists with 10 per cent, and the extreme-right Republicans with 8 per cent.

A clearly disappointed Mr Klaus acknowledged that the decisive victory he had hoped for had not occurred. But he emphasised that his party's showing, more or less identical with its result in the last election in 1992, was "unique in the post-Communist world".

Under Mr Klaus's leadership, the Czech Republic became one of the economic success stories of the former Communist bloc, with high annual growth rates, low unemployment and, particularly in Prague, unprecedented prosperity.

But not all Czechs felt they gained from the changes, and the vote for the Social Democ-

rats indicated a desire for less haste in the race to a free market and more consideration for those left behind.

A jubilant Mr Zeman, who once declared that under Mr Klaus, "Communist nonsense has been replaced by Thatcherite nonsense", yesterday claimed moral victory and began tooting for coalition partners. Having ruled out an alliance with reconstructed Communists or xenophobic Republicans, Mr Zeman could only achieve a parliamentary majority with the support of Mr Klaus's ODS, a possibility both men have ruled out.

With political deadlock

staring the country in the face and fears of possible repercussions on further reforms, all eyes were turned to Prague's castle, the official seat of Mr Havel.

Although his role is largely ceremonial, President Havel has established himself over the past six years as the guardian of the Czech conscience and a figure of immense moral authority.

He has spoken out against the excesses of materialism and the need to cultivate higher moral and civil values, much to the annoyance of Mr Klaus, with whom the President has never enjoyed an easy relationship.

As the man who negotiated

the peaceful transfer of power from Communism in Czechoslovakia's "Velvet Revolution" of 1989, Mr Havel's political skills have already been proved.

But they are likely to be tested

over the coming weeks. If no

workable solution emerges,

the most likely outcome will be

fresh elections.



Flag day: More than 2,000 protesters in Hong Kong yesterday mark the seventh anniversary of the Tiananmen Square massacre of pro-democracy activists by Chinese authorities on 4 June, 1989

Photograph: AFP

He would never have made it this big without Aptiva.

Fame and fortune on the road to power

LOCAL HEROES

No 19:
Svyatoslav Fyodorov

Had he been born in the West, Svyatoslav Fyodorov would probably not have become quite the celebrity he is today. He would need to have been an actor in a soap opera, or a footballer, or the host of a popular quiz show.

Not so in Russia. Although it counts for less than it did in Soviet times, scientific achievement still matters. Which is why this 69-year-old eye surgeon, with his distinctive bottle-brush haircut, is known across most of the nation's eleven time zones.

Such is his medical reputation that he has been able to use it as a launching pad for a political career, both as a member of parliament and as leader of the Workers' Self-Government Party - which attracted almost three million votes in December's parliamentary elections. Now he is back in the fray, running for the presidency in this month's elections.



Fyodorov: Russian celebrity

Dr Fyodorov owes his success to the discovery 36 years ago of a method of treating shortsightedness, using crystalline implants. After some reluctance - condemning his work as "unscientific" - the Soviet Union allowed him free rein, and eventually heaped honours upon him. Thousands of patients began to flock to his clinic. By 1989, *Fortune* magazine was tipping him as perestroika's first millionaire.

The author of scores of articles and a handful of books, he claims money does not concern him much these days. But he certainly knows how to spend it. Although he only pays himself \$50,000 (£32,000) a year, his institute owns a large property on the River Moskva, with restaurants, saunas, dachas, a mushroom farm and dairy, and a stable for dozens of thoroughbred Arabian horses.

Out of the saddle, he presides over his empire - which includes clinics in Poland, Japan, Italy, Dubai, and China - from a large office in his Moscow institute, where he inspects the work of his fellow surgeons on a bank of 30 television monitors, and

holds forth on the nation's economic problems to visiting journalists, using a walkie-talkie serial to point to a series of graphs. "Yeltsin's system is collapsing," he told the *Independent* recently, jabbing at a chart. "There is no marketing system and there is no production. We have no more than 400,000 plants and factories which make products. The United States has 20 million. Without this, we are simply bankrupt."

His solution is what he calls "people's capitalism", a society populated by hundreds of thousands of small entrepreneurs.

He talks about creating joint-stock companies in which all shareholders have equal voting rights, and privatisation of property on a grand scale.

Some of the principles of this

system are already in use in his institute. The 3,500 staff members are shareholders, paid from profits according to the size of their holding. By way of incentive, he pays nothing on loss-making days. "Salaries are worse than heroin," he said. "People want to earn big money, without doing a decent job."

Using his system of co-

ownership, the doctor claims to have increased his institute's productivity by nine times in as

many years. The average salary

of his staff is \$520 a month, double that of Muscovites. "Here we are not slaves. We are free and independent people, who can together make big money."

For all his fans, Dr Fyodorov is not admired by everyone.

He is a member of the Third Force - a broken down centrist alliance with General Alexander Lebed and Grigory Yavlinsky - which has come under fire

for threatening to split the

Communist vote on the 16 June

election. Attempts at deal-

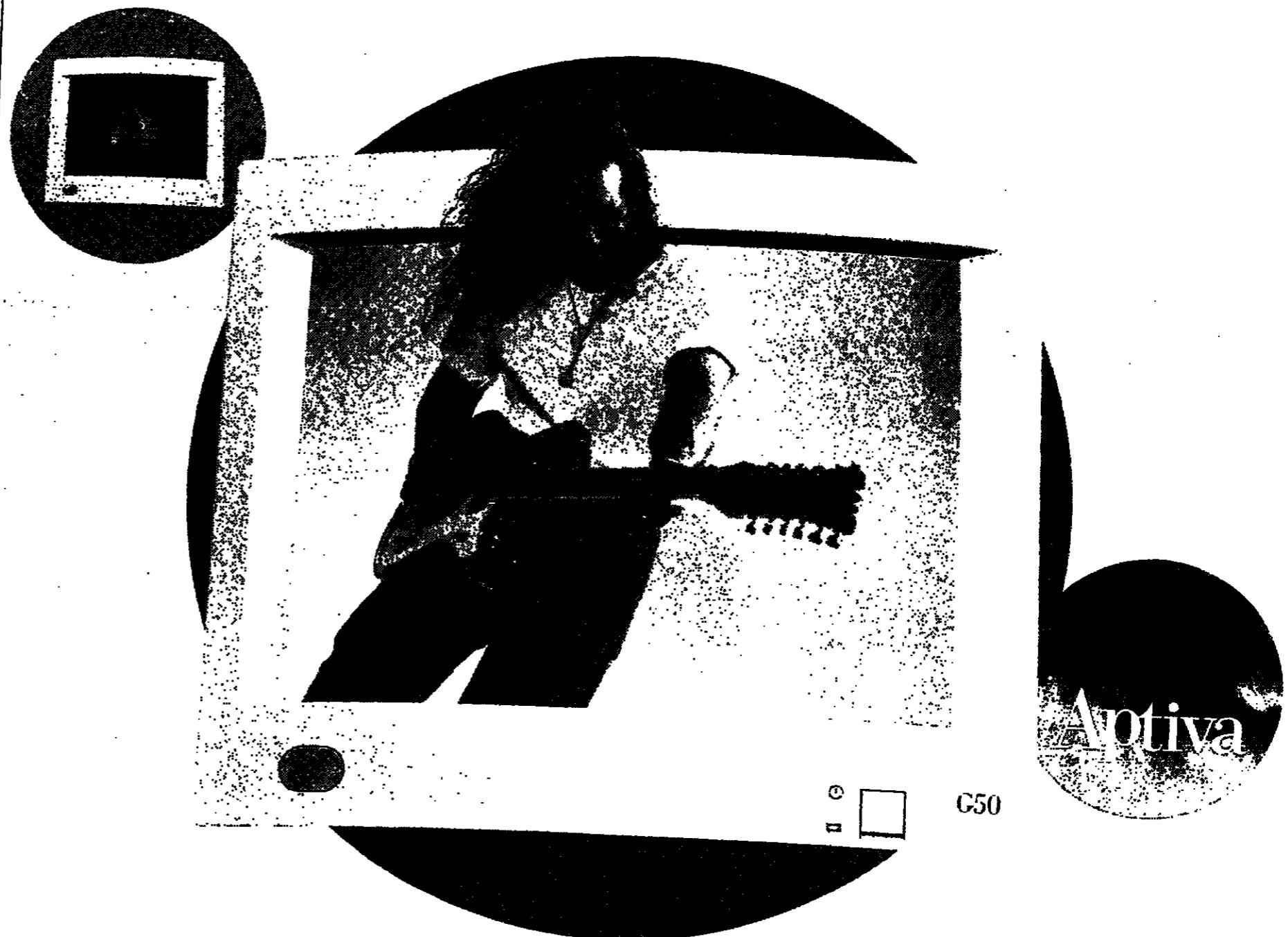
making with Mr Yeltsin and his

rival Gennady Zyuganov have

so far come to nought.

No one knows for certain which way the eye surgeon will advise his followers to vote in the run-off to the election next month. But history may hold a clue. When he was 11, his father, a cavalry general, was whisked off to a Siberian prison camp in one of Stalin's purges, where he stayed for 17 years. The modern-day Communists may differ from Stalin and his thugs, but such memories die hard.

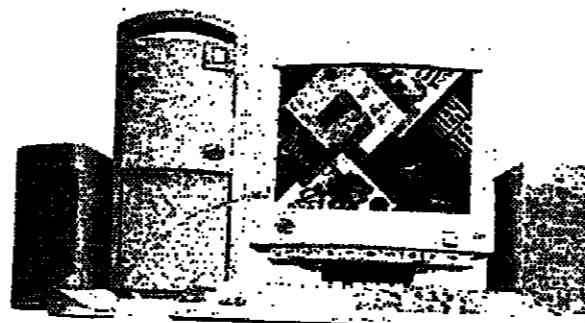
Phil Reeves



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Israeli election fallout: PLO leader seeks support in London as new look Knesset raises fears on streets of Jerusalem

Arafat's strategy ruined by Bibi

PATRICK COCKBURN
Jerusalem

His strategy is in ruins. Yasser Arafat, the Palestinian leader, flew into London last night just as the Israeli government with which he signed the Oslo peace agreements began to make way for its right-wing successor.

Israel's Prime Minister-elect Benjamin "Bibi" Netanyahu, says he would prefer not to meet Mr Arafat.

It is Mr Arafat's first visit to Britain as the elected president of the Palestinian Authority, which holds sway over the Palestinian enclaves in Gaza and the West Bank. Mr Arafat had hoped the autonomous areas would form the nucleus of a Palestinian state. But Mr Netanyahu has ruled this out.

Mr Arafat will meet the Prime Minister, John Major, who is expected to reiterate Britain's support for the Oslo accords. He will then go on to address the Oxford Union on "The Way Ahead: the Palestinian Perspective". During his visit he will try to increase international pressure on Mr Netanyahu to keep to agreements reached by the Labour government.

The most immediate problem is the Israeli pledge to withdraw from Hebron, administrative capital of the southern West Bank. Under Oslo Mark II, signed last year, Israel was to pull its military forces out of 85 per cent of the city by 28 March. After 63 people had been killed by four suicide bombs, Israel postponed withdrawal until after the election. The Labour government said yesterday it would leave the decision on withdrawal to its successor.

Mr Netanyahu has said he would like to postpone a decision on the future of Hebron - which has a population of 100,000 Palestinians surrounding a small settlement of 400 militant Jews in the city centre - until the final stage of negotiations. Many supporters of Mr Netanyahu - especially the religious parties - regard Hebron, and the Tomb of the Patriarchs it contains, as a Jewish



Handover: Yasser Arafat with Israeli police at the opening of a new airport at Rafah, in the Gaza Strip, which will boast joint security. Photograph AFP

ish holy site which must not be relinquished.

Mr Arafat now fears the Palestinians will get nothing in the final-status talks on Jerusalem, refugees, Israeli settlements and frontiers. Mr Netanyahu said during the campaign that he was not even prepared to talk about Jerusalem.

He is likely to close Orient House, the Palestinian political centre in east Jerusalem, and has promised to expand settlements of the West Bank. At the same time he has promised

that Israel will live up to its international obligations.

After a seven-hour meeting in Gaza on Friday night to discuss the elections, Mr Arafat's spokesman, Marwan Karanani, said: "Mr Netanyahu is a politician, he is not an adventurer, and I think we will respect the agreement which has been signed between the National Authority and the State of Israel."

Meanwhile, the victorious Likud Party made its first contact ever with the Palestine Authority on Friday when Dr

Dore Gold, a Netanyahu foreign-policy adviser, phoned Mahmoud Abbas, a leading PLO official. Most menacing for Mr Arafat is Mr Netanyahu's position that he will allow the Israeli army to exercise the right of hot pursuit into autonomous Palestinian enclaves.

During the campaign he accused the Prime Minister, Shimon Peres, of letting Mr Arafat, in effect, control Israeli security. If there is another suicide bomb causing casualties, it will be difficult for Mr Netanyahu to change his position.

In Lebanon, where Hezbollah guerrillas killed four Israeli soldiers and two members of the Israeli-controlled militia last week, Mr Netanyahu is likely to try punishing Syria forces in Lebanon directly for any Hezbollah attack.

Likud advisers such as Dr Gold have argued against Labour's strategy of blaming Iran for orchestrating Hezbollah activities, and say Syria must be held responsible for attacks.

■ The militant Islamic movement Hamas, in its first official

statement since the elections, vowed yesterday to go on resisting Israel so long as it occupied Palestinian land. The group did not say how it would resist and there was no mention of military attacks or jihad.

Hamas, opposed to the PLO, Israel peace deal, claimed responsibility for the four suicide bombings within Israel in February and March.

After Mr Netanyahu's victory, Hamas leaders gave warning of renewed violence if he did not honour peace deals with the Palestinians.

Rise of religion inspires secular Jews with dread

Iwo, proprietor of a non-kosher delicatessen on Shamai street in Jerusalem, is a worried man. His collection of china pigs on one shelf of his meat display cabinet leaves no doubt about the type of products on sale.

"I hope Bibi [Netanyahu, the prime minister elect] will show leadership, otherwise there will be civil war," he says. "War over pork?" asks one of his staff who voted for Mr Netanyahu. "Surely not."

The surge in the strength of the religious parties, all of which will have ministries in the next government, worries secular Israelis. Rabbi Haim Miller, chairman of the Yamad HaTorah ultra-Orthodox party, soon to be deputy mayor of Jerusalem, is already demanding the closure of the non-kosher McDonald's further down Shamai street from Iwo's.

There are other religious demands. The ultra-Orthodox want Bar-Ilan road in Jerusalem, which cuts through their neighbourhood, closed to traffic on the Sabbath. At the moment local people discourage unruly motorists by throwing stones. They also want to prevent archaeologists digging up ancient graves by amending the law on antiquities.

The election, in which the National Religious Party, Shas, supported by Sephardic Jews and Yamad HaTorah, won a fifth of the vote and 23 seats in the Knesset, shows the strength of the religious right in Israel.

Their success ends hopes of loosening the rabbi's grip over marriage and divorce, which has forced many Israelis to get their marriage documents from Paraguay or Cyprus. Two's delicatessens and McDonald's will probably stay open, as Mr Netanyahu will not want to offend his secular followers. He himself was accused during the campaign of marrying his second wife (he has been married three times) in a civil ceremony in the US. He says he is easing himself onto a kosher

regime by stages, a statement greeted with derision in Israel.

Mr Netanyahu will also be under pressure not to surrender to the religious parties from two of his likely coalition partners, the Russian immigrant party and the Third Way, a Labour splinter group which opposes giving up the Golan Heights.

The Russians under Natan Sharansky, the former Soviet dissident, want easier conversion to Judaism for immigrants, less rigorous marriage laws and arrangements enabling non-Jewish Israelis to get buried.

Israeli political loyalties have always been determined by the division between the secular and the religious. But the divide has been deepened by the assassination of the former prime

"I hope Bibi can show leadership otherwise there will be civil war"

minister Yitzhak Rabin last November, by a Jew motivated by religious nationalism. Secular Israelis for the first time realised religious Zionists were prepared to kill them.

The defeat in the elections of the Labour party and its left-wing ally, Meretz - they lost 13 seats, reducing their total to 43 in the 120-seat Knesset - also appears to be a reaction of their free-market policies. Rich cities like Tel Aviv and Haifa voted for Shimon Peres, the Prime Minister. Poor towns, such as Ashdod and Beersheva, went for Mr Netanyahu.

Only 25 percent of the Israeli population has benefited from high growth rates. The lack of government help for the poor appears to have turned Russian and Ethiopian immigrants decisively against Labour.

PATRICK COCKBURN

Death, drugs and diamonds in tale of global conspiracy

Andrew Gumbel reports on a web of intrigue unearthed in Italy

It began, like all the best thrillers, with a mysterious death. Last July a colonel in Italy's military intelligence service, Mario Ferraro, was found hanged from a bath rail by his dressing gown cord. Less than a year later the affair has mushroomed into a global conspiracy fresh from the pages of an improbable blockbuster.

Colonel Ferraro, it turns out, was working to unravel a massive global traffic in arms, drugs, radioactive materials and gems. And where he started, prosecutors from Torre Annunziata,

Maria Carles, the Archbishop of Barcelona; a Somali businessman; and Licio Gelli, the Grandmaster of the illegal Italian Masonic Lodge, P2.

Between them, this motley crew is named in connection with trafficking everything from Kalashnikovs to plutonium, and re-cycling the profits through some surprising channels including the Institute for Religious Works, better known as the Vatican Bank.

Mr Zhirinovsky is suspected of coordinating the sale of nuclear materials via his secretary, who acts as a honorary consul in Russia for the Liberian government.

Meanwhile, Archbishop Carles was responsible, according to one key witness, for transferring some \$100m illegally from the Vatican Bank to a Swiss businessman.

In all, hundreds of people in more than 10 countries are

suspected of taking part in the racket, which apparently began to provide weapons to Croatia and Slovenia at the start of the Balkan wars, and then turned around 180 degrees when the arms market in the former Yugoslavia became saturated.

The traffickers bought up small arms in Bosnia and Croatia and sold them, accepting the drugs, gems and nuclear materials in a massive, highly complex international barter system.

Quite how prosecutors stumbled on a criminal conspiracy of this magnitude is not clear,

since much of the evidence has remained confidential. But it seems the case started with an intercepted cellular telephone call made by a Neapolitan fishmonger. Colonel Ferraro almost certainly died because he knew too much. The magistrate in charge of the inquiry team, Alfredo Ormanni, believes they have reached a crucial stage by uncovering the core mechanism at the heart of the operation, code-named "Cheque to cheque" by Italian police.

There could be more revelations to come. A former colonel of Colonel Ferraro's, Francesco Elmo, has written a memo combining fact, confidential intelligence and rumour that would make any prosecutor's hair stand on end.

Did Yasser Arafat sell 30 kilos of gold to swell the PLO's coffers? Was the Somali businessman in cohorts with the disgraced former Italian Prime Minister Bettino Craxi? Were submarines traded illegally in Albania's territorial waters?

We will have to wait for prosecutor Ormanni's next move to find out.

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THE INDEPENDENT ON SUNDAY



Toy Story



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AFFIX TOKEN HERE

THE INDEPENDENT



To celebrate 100 years of British cinema we have linked up with Odeon Cinemas to offer all readers two tickets for the price of one at participating Odeon Cinemas throughout the UK.

Among the films showing next week are *Primal Fear*, *From Dusk Till Dawn*, *Mr Holland's Opus*, *Muppet Treasure Island*, *Spy Hard*, *The Birdcage*, *Copacabana*, *Things To Do In Denver When You're Dead*, *Toy Story*, *Executive Decision* and more.

How to Qualify
The offer is valid from today to Thursday 13 June 1996. Simply collect three differently numbered tokens from the twelve we will be printing in The Independent and the *Independent on Sunday*. Token 3 is printed today. Token 4 will be printed in The *Independent* tomorrow and Thursday 6, Sunday 9 and Wednesday 12 June. Then take the voucher to a participating Odeon Cinema to qualify for your free cinema ticket when you purchase

another. To find out where your local Odeon Cinema is simply call Talking Pages on 0800 600900.

Copacabana (certificate 18), starring *Signourney Weaver* and *Emily Blunt*, is a classic suspense thriller about a race against time to find and stop an obsessed serial killer on the loose in San Francisco.

From Dusk Till Dawn (certificate 18), tells the story of the notorious Gecko Brothers (*George Clooney* & *Quentin Tarantino*), two of America's most dangerous criminals who are on the run from the Texas police and the FBI after a crime spree through the Southwest. Also starring are *Harvey Keitel* and *Juliette Lewis*.

In Muppet Treasure Island (certificate U), the Muppets are back and ready to cast off and set sail on their zaniest adventure ever, as they encounter pirates, buried treasure and some angry warthogs, in Walt Disney Pictures' all-new, live-action musical feature.

Spy Hard (certificate PG), stars *Leslie Nielsen* as Agent 88. To celebrate 100 years of British cinema we have linked up with Odeon Cinemas to offer all readers two tickets for the price of one at participating Odeon Cinemas throughout the UK.

the leader page

rise of religi
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A time and a place for curfews on children

Labour's Home Affairs spokesman, Jack Straw, drives home from the House of Commons. But this time it is not the squeegee merchants who arrest his attention. He notices young boys and girls on the streets up way beyond what ought to be their bedtimes. His alarm is understandable but his solution – age-based curfew – may once again show Mr Straw reaching for the headlines before working through the detail of policy and social circumstance.

This leaves him vulnerable. The man who once agitated against the active use by the police of powers to stop and search (mainly) black youths on suspicion (operation Sus), is now recommending an equally random procedure. Mr Straw envisions black Marias, operated by the police or council workers, cruising urban streets netting kids, scooping them up to be delivered to mum and dad – who have been sitting there anxiously waiting by the hearth wondering where the little dears have been. The culture and sociology of the modern city make it sound naïve.

And yet Mr Straw's political antennae are finely tuned. Curfew sounds the contemporary theme of family and its dislocation while echoing the age-old anxiety of parents that their children are uncontrollable. A political artist, Mr Straw works his canvas with the darkness of the urban night – what nameless offences against propriety and good order are the children up to, out there

on the pavements? His solution is to reiterate a word that will chime convincingly in the ears of an older generation. Curfew speaks of British soldiers doing duty in the outposts of an unruly empire, of black-out curtains hung thick during the Blitz. It's a good *Daily Telegraph* kind of word, a reminder of public school matrons patrolling carolicky corridors ... the kind of word whose appropriation by Labour sets the Tories back on their heels.

It's also a risky word and demonstrates how Mr Straw flies by the seat of his pants. He clearly made no attempt to square his colleagues before pronouncing. Some of them are, or care about, placating the civil libertarians. Curfew means pushing outwards the sphere of government as policeman. Communitarianism always packed an authoritarian punch, so now we are to feel it in the shape of special patrols or social sweepers-up.

Labour does not like the accusation that it is starting to advocate strong-arm solutions to social problems. (For one thing, its faith in government action in the social sphere contrasts oddly with its neo-liberal approach to what government can accomplish in melding and invigorating the economy.) So Mr Straw will say he was only engaging in what you might call policy threat-clearing. He was having a public gong on a subject deemed to be of concern. There is indeed anecdotal evidence of young

children spotted out late, unchaperoned. But how many, and where, and how can you tell whether a child is loitering with intent or coming back late from a friend or the video store? Most people would readily agree the sight of a child aged under 10 on the streets after dark is unsettling – a good citizen ought to inquire or report. But how late is too late for a 13-year-old? Police and local authorities are already attentive to amusement arcades and other child hang-outs, the reach of the authorities is and will probably always be limited when it comes to the estates and housing schemes.

Mr Straw comes unstuck if he is advocating a national plan of action. They tend to fail for two reasons. One is that incidence differs markedly across the country. The contours of family, child numbers, schooling, policing race are self-evidently different in Stockwell – near Mr Straw's home – from Sandwell, Sandbach or Stenhousemuir. The second is that central government has time and again proved itself no more capable at mounting the cross-disciplinary, trans-departmental effort that combating complex social problems demands. There is an emergent class of social issues which can only really be addressed locally, by

experiments like that beginning in New Orleans – provided we give it time and stop hailing every weird and wonderful local effort in the United States as the universal answer.

Mr Straw – formerly Labour's Environment Spokesman – knows full well what that would require. Labour would have to be prepared to let councils off the leash, to free up the financial and legislative shackles on local action. How much easier is headline-grabbing than assaying local, incremental improvements to difficult social questions.

The incredible shrinking Nigel

When the economy boomed, so did Nigel Lawson's girth. Fat times, fat Chancellor. Now he looks like an Englishman pretending to be Willie Nelson and his shirt hangs off his body in empty folds. At least he can now do what Chancellors of the Exchequer always keep telling us to do and tighten his belt. He says he feels good. Somehow it's not convincing. Thinness, yes, is all the rage. Yet *Vogue*'s emaciated waifs – whether or not they sell watches – have never been any bigger than they now are. Nigel Lawson was. All he does is remind us this is the era of down-sizing. Great diet, bad politics.



ONE CANADA SQUARE CANARY WHARF LONDON E14 5DL
TELEPHONE 0171-293 2000 / 0171-345 2000 FAX 0171-293 2435 / 0171-345 2435

LETTERS TO THE EDITOR

Albanian poll results were legitimate

Sir: Andrew Gumbel implies ("Europe turns a blind eye to Albanian poll", 31 May) that many international observers were prevented by political sympathies from condemning the "overwhelming but almost certainly fraudulent victory claimed by President Sali Berisha and his Democratic Party". Having just returned from Albania, I can assure your correspondent that the more favourable impressions of these elections gained by myself and four other members of a monitoring mission sent by the British Helsinki Human Rights Group are grounded in our observations and not prejudice.

Having noted numerous irregularities of precisely the kind that Gumbel mentions in elections we have monitored in Transcaucasia, Central Asia and even Russia, what strikes us as strange is why the polls held in these other Organisation for Security and Co-operation in Europe (OSCE) member states have invariably been judged "free and fair", while the far more impartially-administered electoral process in Albania attracted an unprecedented level of criticism.

It is not true to say that the elections were "boycotted by all but one opposition party". Had the Socialists and others indeed withdrawn from the contest ahead of voting day, their claims to have been the victim of a one-sided media campaign against them would have had greater credibility. Instead, they pulled out in the early evening of the first round of voting, once the first exit polls had shown they were unlikely to win by the ballot box. In other words, they tried to have it both ways: to stand in an election which, having lost, they then denounced as illegitimate.

JOSEPH SUNLEY
London SW1

Sir: Last week's reporting by Andrew Gumbel on the stolen Albanian election shows that the crucial factor ensuring the victory of Saul Berisha's Democratic Party was the willingness of west European governments to turn a blind eye to systematic ballot-rigging.

President Sali Berisha is too dependent on Western goodwill to resist demands for a fresh poll under clear international supervision. The result might create short-term turbulence but it would be a powerful lesson to Balkan tyrants-in-the-making that the West does not regard democracy as an optional extra in their part of the world and, in the end, it would probably make the region more stable.

The mirage that Berisha stands for stability is likely soon to be dispelled completely as the evidence mounts that he is allowing Albania to become a clearing-house for hard drugs and arms.

The ones who will have the last laugh will be Radovan Karadzic and Slobodan Milosevic. Why should renegade politicians who made war on their own people be expected to abide by the democratic rulebook when it has been ignored in a country viewed as a showcase for Western influence in the region?

DR TOM GALLAGHER
*Department of Peace Studies
University of Bradford*



Racism is still an issue

Sir: Those of us who research, teach and train about racial exclusion and discrimination against ethnic minorities, have known for a long time that this is still an issue ("You have been silent too long about racism in Britain", 31 May). We have noticed by the response to our courses, the enquiries that we receive, and the way in which funds are allocated to research, that it is an issue which some people are trying to pretend has been resolved. The evidence remains that it has not.

What has happened is that the grounds have changed – and perhaps the discrimination is more subtle. It does not feel any more subtle to its victims and if anything the levels of direct violence against black and Asian people have risen. Few will give explicit warning that "blacks are not served" and coded language about culture and language or religion takes the place of reference to race and nationality.

There may not be one single racism, and it may be cloaked in a broader xenophobia, but it needs more people like Yasmin Alibhai-Brown and those she mentions, to remind us that not talking about it will not make it go away.

MARK R D JOHNSON
*Senior Research Fellow,
Centre for Research in Ethnic Relations
University of Warwick*

Sir: It was refreshing to read the pertinent piece by Yasmin Alibhai-Brown on race. The Race Relations Act largely eradicated

overt racism in Britain, but this is now replaced with the practice of "race curtain racism".

A European race relations policy is required to combat the growth of racism and xenophobia in all the member states of the European Union. An amendment to the Maastricht Treaty is an important prerequisite of this. As "race" was not included in the original Treaty of Rome, there is no democratic control over racism by the European Parliament, administrative control by the European Commission, or indeed any judicial control by the European Court of Justice.

TARA MUKHERJEE
*President,
EU Migrants' Forum
Brussels*

Industry funding is best for science

Sir: Tom Wilkie's article ("Science is selling us out", 28 May) rightly drew attention to the relatively poor state of funding for scientific and technological research in the UK.

However, his supporting arguments invoking the model that the best science is disinterested, value-free, and academic ignore the realities of how science is and has been practised: the ascendancy which this theory of science has gained in academic circles may be one of the contributing factors in the relative decline of British science.

The reality of the next few

increasingly use scientific research as a key source of added value and that science will use real world problems as a source of direction and inspiration.

A greater proportion of science will be done in industrial laboratories, and the best scientists will work either simultaneously or sequentially in academic, government and industrial laboratories. This is by no means bad news for science. Industry demands excellence in science, no matter the gender, race or creed of the scientist. Performance in the market is a stricter test than peer review, with arguably less bias against novel ideas.

Lastly, all scientists will welcome the fact that it may now be possible to enjoy financial rewards appropriate to the utility, skills and artistry of their work. Scientific researchers produce truth, insights and beauty as great as any composer, painter or novelist. This is appreciated by industry. The real problem is that the rest of society isn't equipped to appreciate it too.

PROFESSOR CHRIS ADAMS
*Oxon,
Birkbeck*

Sir: To go or not to go? The debate over visiting Burma rumbles on (Letters, 29 May), as Aung San Suu Kyi urges tourists to stay away. Yet in a similar situation the Dalai Lama urges tourists to go to Tibet.

The purpose of randomisation

The Dalai Lama's argument starts from different premises. If tourists do go to Tibet, then his people know they are not forgotten by the outside world, not locked in a madhouse with the key thrown away, and they can communicate their suffering. Our present keeps them safe, and gives them hope.

Not long ago I faced the dilemma over both countries, and the Dalai Lama's argument won for me. It is doubtless better – if possible – not to travel on a package, when one's money really goes directly to the authorities. If there are no foreigners to bear witness, oppressive regimes can perpetrate anything upon their people and get away with it. That our awareness of Burma's chain gangs comes from a tourist's camera proves the point: without going there is no knowing – and nothing either.

ADRIAN ABBOTTS
Leicester

Statistics ensure good results

Sir: I agree with Dr Bird that statistics is the servant of science, not its ruler (Letters, 1 June). However good statistical practice provides a formalised way of ensuring that good science is done.

The purpose of randomisation and blinding and use of placebos in clinical trials is to avoid the conscious and unconscious biases which can occur when patients or clinical investigators use other

means of selecting treatment. In addition randomisation protects the public, in permitting the rigorous estimation of probabilities of obtaining a false positive or false negative result from a particular trial design.

With regard to Dr Bird's alternatives of comparing non-randomised trial results with historical data or "a scientific estimate of the placebo effect", such estimates are based on data they are inherently statistical – if not based on data are they

DAVID MORGAN
Wokingham, Berkshire

Joyless jingoistic sentiments

Sir: In speaking of the adoption of Beethoven's setting of the "Ode to Joy" as the theme for Euro 96 ("Beethoven loses after extra rhyme", 30 May), you quote BBC's apparent assumption that "jingoistic sentiments" need to be excised from Schiller's poem.

The BBC ought to know better. There are no such sentiments in the original, which celebrates a sense of universal community transcending nationhood; that is why it was also chosen as the anthem of the European Community. The only function the new translation can have, therefore, is to modernise the style. It is those who object to the choice because the text and the music are German who are jingoistic.

TERENCE CAVE
St John's College, Oxford

Who owns Bart's?

Sir: Further to Andrews Whittam Smith's article ("Is Bart's saved?", 27 May), I would like to pose another question: "Who owns Bart's?"

In 1948 the National Health Service acquired the deeds of the hospital without money changing hands, in return for continuing to provide a health service on the site as had previously been provided by Bart's Trustees and Governors.

Why cannot the deeds now be handed to the Royal Hospital of St Bartholomew's Charitable Foundation? They are prepared to offer a health service on the site in line with the wishes of the original founding Charter which donated the site and the means to maintain the hospital.

Surely, since the Department of Health are to withdraw from supplying hospital treatment at St Bartholomew's Hospital, they do not have a right to the site.

SHEILA JONES
London EC2

Tuneless doctor

Sir: The new *Dr Who* (report, 29 May) has another weakness that will not have escaped the attention of the veteran fan and that is the awful mangling of the signature tune. The original Radiophonic tune was always the Doctor's music, maybe that's why this episode was so unlike *Dr Who*.

RICHARD ALLEN
Edinburgh

Europe: the great debate

Do these men have a vision behind the party rhetoric?



PADDY ASHDOWN

We are a European state, on the western edge of a rapidly-changing European international system... Britain's national interests require us to play the fullest possible part in reshaping and extending this European system... This is the foundation on which Britain's future international role must be built.

It has become acceptable in Conservative circles to talk about Germany and Germans in the same tone which English politicians reserved for the Jews 80 years ago, and for the Irish a century ago... The idea that splendid isolation is preferable to

European co-operation may play well before the Conservative Party conference. But the fruits of obstruction and cheap xenophobia are becoming more evident and more painful...

What is needed now is co-operation and leadership - that leadership will not come from "little Englander" nostalgia. It will not come from delusions about "special relationships". It will come by building new alliances with our European partners, and helping Europe to lead the way for more effective co-operation on the global stage...

Global politics in the new millennium will not revolve around the European region, even less around individual ex-imperial European powers. But Britain and its European neighbours have vital interests at stake in the promotion of global co-operation. We will most effectively pursue those interests if we combine our efforts, rather than attempt to maintain separate channels of influence... The alternative to the achievement of an effective institutional structure for a post-Cold War Europe is a fragmented and unstable Europe, prey to national rivalries and local conflicts.

Speaking to the Royal Institute for International Affairs, 6 March 1996



TONY BLAIR

I grew up as part of a post-war generation. I voted for Britain to remain in the EEC in 1975. I fought to persuade my party to become a party of Europe, believing that to be in my country's interests. I support the European ideal of co-operation between nation states for mutual benefit. I have no doubt at all that the future of my country lies in being at the heart of Europe.

But to deny the changing circumstances of Europe or the altered nature of its challenges is to deny reality... At the time of Maastricht, political opinion got ahead of public opinion... It is the pro-European

who must now take on the task of reform in Europe. There are six priorities for sensible people who support the EU:

First, to make the case for Europe from first principles, not taking public opinion for granted but reaching out to it.

Second, we must address enlargement to the East and how it is facilitated.

Third, we must take on, and make our own, the agenda of reform of the EU, defending what should be defended and changing what should not.

Fourth, we must make the European Union more democratic and open.

Fifth, we should take steps toward a stronger European foreign and defence policy in harmony with the Atlantic alliance.

Sixth, we must ensure that the European Union remains against protectionism and opens up its markets and becomes a stronger voice for free trade in the world.

We want a new, people's Europe - enlarged, reformed, relevant, more democratic, open to the rest of the world and with a robust foreign and defence policy. Britain can play a leading role in achieving those aims.

From a speech to the Friedrich-Ebert-Stiftung, Bonn, 30 May 1995



JOHN MAJOR

The problems we are having with beef... could be magnified over a whole range of issues if we were outside the European Union or not playing a part in trying to determine the rules of the European Union but that doesn't mean we are going to go into a federal Europe.

I can tell you quite frankly I have no intention whatsoever of going down the route to a federal Europe... We will debate the case, we will win the case - in which case, all is well - or we will just say "No! You can go in that direction if you like but we are not!"

I have to say, I am pretty fed up with this absurd commentary which says you either have to be on one wing of the European argument or the other wing to have any views at all.

Speaking in Rugby, 26 April 1996

The idea that if we were outside the EU we could somehow become a trading haven on the edge of Europe with all the benefits of that vital market of 370 million [people] - while others fix the rules without any regard to our national self-interest - is cloud cuckoo land...

[But] The nation state lends security, comfort and familiarity - and people need that more than ever at a time of change and insecurity. You cannot legislate for a common nationality or a common sense of identity.

The nations of Europe have developed over centuries. Their cultural traditions cannot be eradicated by a stroke of a pen...

If we ignore these realities, we would increase rather than reduce conflicts and tensions across Europe.

Speaking at the Institute of Directors, 24 April 1996

The press crusade for a narrow nationalism

The Daily Telegraph

30 April 1996
The evasion over Europe explains the muddle over everything else. It hangs over this Government like a great cloud.
22 April 1996

The long debate about Europe has shown the Euro-sceptics to be the ones more attached to principle and to precise argument, and their opponents to be the ones who prefer windy rhetoric and resort to emotion. Looked at without any antagonism to foreigners, there is a serious difficulty about Britain's relationship with the rest of the Community. Our institutions and our interests are markedly different from those on the Continent. This is a practical reality, and it will not be wished away by saying how much one dislikes some of the people with whom one disagrees... It is not xenophobia which is depriving British farmers of their livelihoods, and it is not attacks on xenophobia which will restore them.

23 May 1996

When the German Chancellor calls on the British Prime Minister these days, one senses at once who is in charge. Dr Kohl's dominance derives partly from his long experience, his prestige as the creator of a united Germany, and from the weakness of Mr Major's domestic political position. It is also emphasised by Dr Kohl's huge bulk, prominently displayed in Downing Street yesterday. But these impressions of German superiority, which are not at all pleasant to a British mind, could not be sustained if they did not reflect reality. Why is Germany "top nation" in Europe, and what should be done about it?

Britain, still well behind in many fields, is now superior in labour adaptability, business taxes, lack of regulation, costs. It gains huge advantages from access to European markets, but suffers huge disadvantages from European rules, most of which are made for Continental convenience and according to French or German models. It is becoming clearer that what may well be good for Germany is generally bad for us.

The rest are jealous, resentful and baffled by our concern for sovereignty, our dogged determination to defend something which they no longer have. All the signs are that we are now approaching a critical moment in our relations with this new Holy Roman Empire...

The time has come to test its institutions, its laws and its true purpose, if necessary to its destruction.

To do so, we must reluctantly learn to

behave in the same way as our partners, ignoring the spirit of the law while sticking to the letter with Prussian rigidity... Stop the Euro-Rot
22 April 1996

billion of its annual spending is "not properly accounted for".

6. EU DIRECTIVES are crippling Britain's businesses... with 20,000 directives and regulations which have made Brussels the world's biggest law-factory.

7. IF THEY can't beat us one way, they simply try another. The Prime Minister is proud of the opt-out from the Social Chapter which he won at Maastricht. [But] now the Eurocrats in Brussels are imposing the same rules on us as a health and safety measure which our ministers have no power to veto.

Britain's three-pin plug has so far resisted the two-pin assault from the German regimenteralists. But for how long? London's red double-decker buses still run. But once again commissioners, prompted by Continental manufacturers who don't make double-decker buses, will enforce regulations that will drive them off the road.

8. THE EU has turned honest shopkeepers into criminals by banning our traditional weights and measures, on pain of criminal prosecution.

9. THE EU wants to treble our water bills by the year 2005. Just when we are told that we may not have enough water this summer... we are told we must pay out a further £22 billion over the next nine years to comply with four new Brussels directives on water quality... Only Britain is failing over itself to comply.

10. THEY are taking our sovereignty away from us. They are moving, under the leadership of Chancellor Kohl, towards the creation of a single currency... His unrelenting ambition is to forge it into a federal state in which that single currency controlled by German bankers would be the dominant force. For Britain to abandon the pound sterling would be an irreversible act of national abdication... Surrender that real control over the destiny of our country would drain away from the Mother of Parliaments at Westminster to the financial nexus in Frankfurt.

11. RUNNING THE EU costs us millions. Last year, the British taxpayers paid £8.9 billion into the Brussels coffers and got £4.8

billion back... And our trade with Europe is in the red, too. Since we joined, our deficit with the EU states totals £87 billion.

12. THEY can't even get their flag right. The 12 stars do not represent the number

of member nations, and never did.

Jacques Santer, European Commission chief... blames the beef crisis on the Government's mismanagement, not Europe's chicanery.

What a cheek.

Santer is nothing more than a jumped-up civil servant. He has no right to lecture Britain on its policies.

He should be trying to solve the beef crisis, not inflame it.

Go back to your office, Mr Santer, and shut the door.

Then do the same with your mouth.

27 May 1996

It is full steam ahead for the Brussels gravy train. The worse-than-useless European Parliament cost a mere £326m in 1991. By 1995 that had more than doubled...

The French and Germans, who seem hell-bent on wrecking their economies (and ours, if they have their way), are seeking ways to cut spending.

How about a start with... the biggest Euro-farce of all, the European Parliament.

Let's scrap it and save money.

23 May 1996

The Sun says "bullocks" to the EU today...

We have adopted a prime bullock called Sunny as our mascot to moo-ve into the frontline of the Cattle of Britain... aimed at giving the Germans a hefty kick in the panzers.

Sunny, a Charolais steer, has been provided as the Sun's mascot by the Asda supermarket chain, which is giving away two free British beefburgers to every reader.

23 May 1996

Research by Ben Summers

THE Sun

The defence of British sovereignty, because it touches on the deep questions such as identity and security, may occasionally inflame passions. The fanatics may not care for the more raucous expressions of popular attachment to the nation and no government should pander to football terrance chauvinism. But it would be even more dangerous for politicians to govern without a feeling for the sinews of the State. In the last century, statesmen as various as Gladstone, Disraeli and Salisbury all recognised the importance of appealing to the vulgus to secure support for their statecraft... The success of the Euro-sceptics is, however, built on more than a reading of national character and an attachment to their native soil.

28 May 1996

More imagination is called for, now that Europe Day has been brought to our attention.

There should be a competition for a flag to suit the Europe of today. A tricolour of

suitably straight sausage, cucumber, and banana? The mad cow rampant? Or, best of all, a Union Jacques to accompany the EuroDolors.

9 May 1996

As we argued ad nauseam at the time, the Government should have consulted the people when the Maastricht treaty was drummed through Parliament: today's dissatisfaction stems directly from the sense that politicians have handed over the people's democratic birthright without having asked the people first.

24 April 1996

How a Big Idea became a Bad Thing

1. Origins. The Second Great European Misunderstanding (1939-45) is generally judged to have been a Bad Thing, and a number of people decide that to have a third might be rather *de trop*. They found the Council of Europe, a means of stopping war by having meetings. It works. But some want to go further, notably the visionaries Jean Monnet, Paul-Henri Spaak and Robert Schuman. They are called the Founding Fathers, even before they have founded anything. All of them are foreign, something which the shrewd British notice very quickly.

2. Early Days. The Six (France, Germany, Belgium, Italy, the Netherlands and Luxembourg) set out on the road to federal union. Showing an early preference for acronyms, the Fathers found the ECSC (the European Coal and Steel Community) in 1951, a device to prevent war by making it all much too complicated, and the EEC (European Economic Community) in 1957, a means of preventing conflict by giving large amounts of money to farmers. It works. Still no war.

3. British Reserve. With that steely-eyed insight and unyielding vision for which they are famed, the British decide that this Europe thing will never work. They invent, instead, their own Europe thing in 1960, with its own even better acronym, EFTA (the European Free Trade Association). This unites Scandinavia and Britain with Switzerland, a historic union of countries which have only one thing in common: they are members of EFTA. English is the common language, however, so the organisation has some good points, despite the number of foreigners involved.

4. The drive to federalism. General De Gaulle, a devoted fan of the European Vision, shows his dedication to the idea by deciding in 1966 that the French will boycott meetings, which demonstrates the eternal French commitment to Europe. It results in the Luxembourg

Compromise, which means that, henceforth, France can do what it wants, especially in Luxembourg. The ECSC and the EEC are united with something called Euratom to create a Single European Acronym, the EC (or CE if you are French). Federalism starts to move into action, or, as they say in Brussels, the train is leaving the station.

5. British Reserve Drops. With that steely-eyed insight and unyielding vision for which they are famed, the British decide that EFTA has no

Britain, Ireland and Denmark, Europe gets an appetite and swallows up Greece in 1981, followed by Spain and Portugal. To prevent war with these countries, it is necessary to pay them quite large sums of cash. So the EU goes looking for some richer countries not to fight wars with, bringing in Sweden, Finland and Austria in 1994, Norway and Switzerland remain aloof (and extremely rich, but with the ever-present threat that they may fight a war with each other). The Six have by now become the Fifteen, and

to become the norm. Margaret Thatcher is apparently not looking when this is done, but later on someone tells her and she is furious.

The possibility of war starts to appear more attractive in London.

8. The Second Great Leap Forward. The EC decides to create the Maastricht treaty, and the Dutch town of the same name seems the obvious place to do it. Subsidiarity is acclaimed. There is to be a single currency for Europe, vetoes are further reduced, and the EU starts to create a joint foreign policy. It is deemed a good time to change acronyms again, and so the EU is born. John Major says that it is Game, Set and Match, introducing a confusing tennis metaphor just when everyone had started to understand all the stuff about trains leaving the station.

9. Look Before You Leap. Denmark nearly scuppered the Maastricht treaty. France seems not very keen, Britain huffs and puffs and Germany consults the constitutional court. So it is not Game, Set, and Match at all, but Rain Stopped Play. The train is stuck in the siding. The Exchange Rate Mechanism (ERM) of the European Monetary System (EMS) blows up, probably because it has two acronyms. Recession, unemployment, and racist violence stalk the continent. There is, worst of all, a war in Bosnia. The EU is furious, though of course Bosnia was not a member and so that just proves how effective the EU is at preventing war.

10. The Third Great Leap Forward. By the end of the century, there is to be a single currency for Europe; central and eastern Europe are to join (probably); and there will be an Ever-Closer Union. All of this is to be decided in another treaty in 1996 which some people call Maastricht II, although this time it is thought unnecessary to actually go to the Netherlands, what with the food not being that great. Then there is beef, and there is a war. This is a Bad Thing.

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PRUDENTIAL



From 'Non' to 'No, no, no': will this be the history of Britain in Europe?

future and join the EC, or the Common Market as they prefer to call it. They are rebuffed by General De Gaulle. He dies, however, and in 1973 both Britain and the other Europeans run out of excuses for not going ahead. A referendum fails to change this, to the unhappiness of many on both sides of the Channel. Margaret Thatcher is elected to power in Britain, to the unhappiness of many on both sides of the Channel.

6. The New Boys. Having accepted

everything gets more complicated. There isn't enough car-parking space, and it takes up to half an hour to get a steak and chips in the staff c

Britain and Europe: a proposal

Xenophobes are feeding off the undefined notion of European union. Britain must not buckle beneath their bigotry

Being British

Let us begin at the beginning. The British are Europeans. Among the first people to land on these shores were explorers from the Mediterranean. They were followed by Germanic tribes, by Romans and Frenchmen, Jutes and Saxons, and later by waves of migrants from central Europe as well as the old Empire. The languages of Britain were once closely related to those of the continental Celts. By the time early medieval English developed, it looked rather like early medieval French and early medieval German. Modern English, spread as a world language by the Americans, is infecting and changing all the modern languages of the continent.

The British are also European in their political history. For a long time, the islands and the continent swapped royal families and shared a single religious authority. Even when the Scots and English broke from Rome, they were partially following Swiss and North German examples. In more recent times, the British have been European in their political values. Given the history of democracy and free speech, island patriots might put it the other way and say that the other Europeans are now British in their political values. Certainly French freedom and the German constitution both owe a lot to London.

But whichever way one puts it, the British islands and the Western European landmass share common political genes. British history was affected by Voltaire and Monnet, just as French history was affected by Paine and Churchill. Continental economic thought, from Marx onwards, would have been impossible without Adam Smith and David Ricardo. Economically, Britain and continental Europe are very close and growing closer. Whatever the politicians say, the business leaders are closing gaps. And culturally, British art, music and literature is almost impossible to imagine without the European setting. What would Shakespeare have been without his great store of Roman and Renaissance stories to draw from? Or Fielding without Cervantes - Wren without Palladio - Hockney without Picasso - Walton without Sibelius? As with politics, one can turn this cultural exchange around and ask whether German romanticism would have happened without British inspiration, or what would have happened to the French novel without Dickens.

All it shows is that Britishness and Europeanism are part of one another. We are more like than unlike, more sibling than cousin. But this hasn't made one nation and the great question today is whether Europe needs to take a further stride towards political integration - mingling again, but this time at the level of political authority. European companies are buying one another, speaking English at boardroom level and swapping corporate lessons. Cheaper travel and better education, as well as political leadership on the continent, are persuading more private Europeans to spend time in one another's countries, and to learn one another's Euro-dialects. But does this mean that European political union should follow as well? What are we trying to escape from which needs this further step?

Nationalism or xenophobia?

The anti-European crusaders now in full gallop in this country would say, most of them, that they too are Europe-lovers. They like their Beethoven and their holidays in Normandy or Umbria. All they are against is the Brussels bureaucracy and its threat to our ancient Parliamentary freedoms. Some of them, the more sophisticated, would argue that the European Union by imposing common rules is actually eroding the traditional meaning of Europe, which thrived on creative diversity. If the EU makes the French a little less French and the Spaniards the Spaniards, isn't it the anti-European force?

These are clever arguments and, mostly, honestly meant. But they depend upon a kind of willing blindness which makes them dishonest and which everyone who is seriously interested in this debate just squarely confront.

For the truth is that the main emotional force behind the anti-Brussels crusade isn't

parliamentary traditionalism or democratic sensitivity. It is xenophobia - raw, potent and addictive. If fogey-journalists don't feel it, sitting in metropolitan restaurants with their parliamentary friends, then the people they are trying to rouse to anger certainly do. What is quickly sucked and nurtured by the *Times* and the *Telegraph* leaps into adolescent anger from the pages of the *Sun* and the *Express*. It is anti-German, not just anti-bureaucrat. It is anti-French, not just anti-Brussels. It is immature and dangerous, a loser's emotion.

Sophisticates who pen angry anti-EU pamphlets may disclaim any interest in the way their arguments are glossed late at night in the pub or the tabloid press. They may wrinkle their noses. They may dismiss the effect of their words. But if they do not know what they are about they are fools. And if they do know, they are culpable. In our view their position is about as convincing as that of Enoch Powell in disclaiming any connection with the views of racist dockers marching in London, or of the middle-class Bennites who smugly closed their eyes to the intimidation and thuggishness of some of the early-Eighties militants they supported and egged on.

Nationalist politics depends upon specialness, on defining the group and thrusting away the rest of humanity as Other. Its peculiarity is to make the gap between the pamphlet and the curse, the clever argument and the obscene threat, frighteningly short. And what we are seeing in Britain today is nationalist politics, deriving from a lack of national confidence. It is a curious kind of nationalism, since it is fervently against Scottish nationalism or Irish nationalism. Presumably the recipe for a post-EU Europe includes a vigorous revival of German nationalism too, and Serbian nationalism. Yet somehow the case for those nationalisms and their possible effect on European security has failed to attract the curiosity of British Conservative nationalists.

Would British withdrawal from political involvement in the EU make the nationalist tone disappear in British politics, as the Tory right has sometimes implied? How could it? We would have defined ourselves even more clearly as the Chosen Nation, and pushed away the main development of European public life as other and alien. Our borders would be raised a little higher against France and Germany in practice as well as in spirit. (Otherwise, what would be the point?) Had the beef crisis happened to a post-EU Britain, we would have had no Brussels forum to argue in; our rage would have been squarely directed at other national governments and peoples. Would this have quelled xenophobia - fuelled it? We believe that a post-EU Britain, confronted by arguments over fishing and trade would be more nationalist, not less. It would be a country hunching its shoulders against the surrounding world.

We are not a pro-European newspaper because we are in love with qualified majority voting, or cohesion funds, or because we believe the views of EU commissioners are worthy of admiration. We are a pro-European newspaper because we think that to be anything else is morally wrong and intellectually disgraceful. The Europe of nation-states, lacking binding institutions and any European political ethic would be too near to a Europe of competing nationalisms for comfort. And we have been there before. This is why Europe needs some kind of union.

Democracy or efficiency?

Yet the anti-Europeans have one important and basic truth on their side. It is that the Union as it currently operates is undemocratic and, because of that, dangerous in its own way. The system of government envisaged and practised is too complicated and too far from the lives of Europeans to be secure. Unless you are Belgian, Brussels is further away than your national parliament. For many of us, the national parliaments already seem out of touch and distant. Because of the need for compromise, and the complex cluster of institutions - court, parliament, council and commission - the decision-making process of the EU is very hard for outsiders to understand. When these decisions are uncontroversial this

may not matter. But if they have been taken without the assent and understanding of most Europeans, they are not safe. Full political union is not desirable because, while it might be efficient and forceful, it cannot be democratic.

The dangers implicit in this can be seen most easily by looking at the next proposed phase of integration: monetary union. There are good reasons for a single European currency. It would cut the costs of trade and travel in Europe. It would help reinforce virtuous monetary discipline. It would give the smaller countries, whose

port of the electorates involved, any system which forbids voters to make important choices, including trying out foolish economic experiments, gives them in theory no way out but violence. And in practice as well as theory, that is a dangerous thing. It is why, on balance and after much heart-searching, we are against the single currency this time round, not simply for Britain but for all Europe.

common citizenship from Minsk to Mallala? Was Europe to be a giant crucible in which the identities, the borders and perhaps eventually some of the languages of the component peoples were simply melted away?

For nearly half a century the answer to this interesting question has been avoided by European political leaders for two reasons. First, it all seemed to

tacked on. This has resulted in a cobbled-together "include that in" quasi-constitution which is never formally admitted to be such, and a process of continual change which is becoming unsettling. The EU as a whole has never had a conclusive discussion about which functions should, in ideal terms, be centralised, which should merely be co-ordinated, and which should be left with nation-states. It speaks of "subsidiarity". Yet it lacks a theory behind the word. It has never had its founding Congress or its Federalist Papers.

in perpetuity, to protect those principles and exercise those powers. (Since that is what constitutions are for.) What holds us together before everything is a shared attitude to human rights and market freedoms, so a charter of rights should be at the core of the Union. The European Convention on Human Rights should be taken inside it. The European Court of Human Rights has been an invasive and controversial institution. It should continue to be. But beyond that, the four freedoms - the freedom of movement of people, goods, capital and services - should be there as founding principles to be agreed by all the nations.

The best way of thinking about a European constitutional structure is to keep it simple, imagining three boxes. In the first are those things which must be done by the centre and cannot be properly done elsewhere. In the next box are areas of cooperation between the nations, which may vary between one country and another. In the third is everything else, which returns to the nations.

The central functions should, we believe, be strictly limited and controlled by a simpler and more open political structure. In essence, the Council of Ministers must gain ground at the expense of the European Commission and the European Parliament. The Council should sit in public. Because it draws its ministerial members from national parliaments and governments, the effect will be to raise the importance of those national assemblies. At the moment, the Commission has three jobs - it is the EU's executive, its bureaucracy and its ginger group or campaigning arm. It can only properly do one of them, and the correct role for it is to be the bureaucracy, working more directly to the Council and with strictly limited powers of initiative. The European Parliament would find its powers also limited, above all by the limitation of central functions. But it would retain blocking powers. And the European Court of Justice would develop as the supreme constitutional court, protecting the nations against depredations by the centre, and vice-versa.

A diverse and private Europe

There, broadly speaking, the role of the inner box, the central functions of the new Europe should stop. Then there is a second box of things done jointly. If the EU is to develop into anything more than the loosest and most fragile of treaties, then some of the nations have to take on more of the responsibility for European defence from the Americans. There is no benefit to anybody in the short term in challenging, never mind dismantling, the Atlantic treaty. But the creation of a European defence arm of Nato is a worthy project. It need not mean some kind of Napoleonic-era mega-army, in which every corps speaks a different language. European defence could involve national specialisation, so that Britain and France took the lion's share. But the need for a common policy towards Russia, as the EU expands eastwards, also requires a common capability. Similarly, there will be many diplomatic functions which European countries will wish to exercise jointly - Britain already shares embassy space with other EU countries, and Western Europe clearly needs to coordinate its policy on Russia and eastwards expansion.

But most other functions should be reserved finally and clearly to the nation states. The preservation of basic human rights, free trade and movement, and external security can be done better together than by individual nations or regions. They should be what binds Europe together in the 2000s, just as Christianity, feudalism and the Latin language were the binding agents of Europe a thousand years earlier. Everything else, including education, culture, social policy, the details of taxation, most transport policy and internal regional and local arrangements are matters which do not need to be removed from national competence. Leaving them there ensures a rich European diversity and allows local traditions and differences, which are among the most important aspects of human identity, to remain undisturbed. We are all Europeans, doing the big things together and agreeing about the important aspects of macro-policy. We stand in the world as Europeans who have made our peace with one another. But at home we retain our more intimate social differences and identities.

Achieving this requires Europe to end the endless journey towards an undefined and mysterious "ever-closer union". To that extent it could be described as a Euro-sceptical manifesto. But it isn't. Indeed, the creation of a proper European constitution on our blueprint could equally be described as federalist. Reflecting the more limited nature of the core Europe proposed here, we prefer another name. Today we raise the flag and the cause of European confederacy.



PRIESTLEY:

economies are today heavily influenced by the German Bundesbank, a place at the table in a new central bank. And it would bind European countries more closely together, making war between them at some future stage even less thinkable.

But the single currency cannot be run, in our view, without a single European economic policy alongside it. Monetary policy and fiscal policy cannot be disengaged. And this means that if the electorate of a member state voted in a government which was committed to changing policy radically, that democratically elected government would simply have to be overruled by the unelected European bank. In a radical overturning of democracy in favour of rule by experts, those staples of traditional Western politics, tax and spend, would be removed in effect from the political arena.

How would over-ruled electorates react? They would have no court of appeal. Unless it comes armed with the overwhelming and enthusiastic sup-

This line of argument might seem bleak. If a return to European nationalism is wrong but a further stride towards political union is undemocratic, what choice is left for us Europeans? If it is not back nor forwards, are we left standing indecisively just about - well - here? The answer is that we should change direction.

The cloud at the end of the tunnel

From its earliest days, the European project was shrouded in deliberate mystery. The purpose of ever-closer union of people was clear enough. The mechanisms designed to achieve that purpose, from the Coal and Steel Community to the Schengen deal, were, at one level, straightforward enough agreements. But what was always cloudy was the end point. Where did Union eventually stop? Was it a true single European government, the abolition of individual nationality and a

long way in the future. But second, even to talk in such terms would be intensely controversial throughout the actually existing Europe where people remained stubbornly attached to their current identities.

But this cynosure has run out of time. As Europeans, we can no longer continue on a journey whose destination is unmentionable. The more intrusive aspects of the European single market, digging into traditional practices, have already inflamed opinion and challenged identity. This goes for French butchers and cheesemakers, for Finns and Portuguese, as well as for the British. If we are to go further, people need to know why and when, if ever, the journey will stop.

The mystery has also resulted in an unnecessarily confusing European structure. We talk about the original visionaries of Europe as "the architects" of the EU. But this is a misleading image. They were more like opportunistic amateur builders. In pursuit of integration, they simply grabbed any issue or possible area of agreement

The Congress in 2000

The time for that is ripening. We urgently need a vision of Europe which can confound the Europe of competing nationalisms, and yet avoid a centralist regime, ensuring that Europe continues to be a continent of lively democracies. We need a new start that is neither tightly and undemocratically centralised, nor grating with national tension. This is achievable and would not, in truth, require a revolution. Looking well beyond this year's intergovernmental conference, Europe's leaders need to consider the case for a Congress of Europe in the year 2000 - symbolism has its place here - in order to draw up a clear and comprehensible constitution for the continent.

That constitution should define those powers and principles which must be held centrally to avoid the community of nations falling apart. And it should, of course, set out the institutional structure meant,

obituaries/gazette

Lord Cameron

"Time was, Mr Chancellor, when Scottish judges were better known for coarseness, like Braxfield, or conviviality, like Hermand. Aitchison and others, or eccentricity, like Monboddo, or rather erratic scholarship, like Kames. But today we have judges who give outstanding public service in realms far beyond their official roles. Among such is John Cameron." Thus spoke the Public Orator of the University of Glasgow at the Doctor of Laws Ceremony in 1981.

"Jock" – he was never recognised as anything other than Jock – Cameron was one of the considerable Scottish Appeal Court judges of the century, and recognised as such by legal Edinburgh. But he also had another dimension: high up the list of the great and the good, he was sought out by successive governments and the stratosphere of the Civil Service to address the thorniest problems of post-war Britain.

Indeed, in 1967 it was deemed appropriate by Harold Wilson, Ray Gunter, Minister of Labour, and the senior Civil Service that this Scot of more than pensionable age should chair a committee of three with Pat Lowry, then director of personnel for the British Leyland Motor Corporation, and Danny McGarvey, of the Building Trade Workers, to sort out the trade disputes between Myton Ltd and certain workers at the Barbican Development Site in the City of London and between Bernard Sunley & Sons and certain workers at the office development site in Horseferry Road, Westminster. Cameron was sent for as the Red Adair of industrial confrontations. Over a period of three decades he was never far away from those tasks deemed best undertaken by an understanding top-class lawyer of wide interests.

Jock Cameron was born in Edinburgh, in 1900, a child of the New Town and of the Enlightenment. He was equally at ease and at home in the prestigious New Club or the Bohemian intellectual Scottish Arts Club in Rutland Square. His father, John Cameron, an SSC (Solicitor before the Supreme Court), sent him to Edinburgh Academy. He remained a passionate Academic, rendering great service to the school as a governor and much else. As dinner guest this year of the Edinburgh Academicals in London at the Caledonian Club, I was told that it was the first time for 40 years that Lord Cameron had missed the annual gathering.

He served with the Royal Navy on Destroyers as a 17-year-old in the closing months of the First World War and as an RNRV officer in the Second World War, winning the Distinguished Service Cross in 1944 for his work on convoys.

In 1927 he married Eileen Burrell, by whom he had two daughters and a son, Kenneth,

who was to become Lord Cameron of Lochbroom. Lord Advocate from 1984 to 1989 and since then a judge like his father. Indeed in the year before he demitted as a judge Cameron saw his son installed as the principal government law officer in Scotland.

In 1943, tragedy struck.

Eileen died when Cameron was away on convoy duty. Returning unexpectedly, he entered his own house shouting greetings for his wife. A distraught neighbour had to explain that she had been buried the week before; there had been no way of contacting him.

The following year he married Eileen's friend Iris, widow of Lambert Shepherd; with her he lived a great happiness for half a century and more.

In 1948 Cameron became

Dean of the Faculty of Advocates. But his great contribution as a superb committee man and chairman had already begun. He was scarcely out of uniform before the Labour Secretary of State for Scotland Joe Westwood appointed him to chair the committee on Legal Aid and Legal Advice in Scotland. Along with F.E. Balfour, John Henderson, Alexander Inglis and John MacBean, they prepared a code for legal assistance in Scotland guided by two fundamental principles, "a desire to build... on existing foundations and to ensure the greatest possible measure of flexibility in upholding the honourable tradition of gratuitous representation of poor persons by counsel and solicitors in criminal causes". Cameron throughout his life was determined that all people, rich or poor, should have their case properly represented in the courts of the land.

Having made a success of the Legal Aid Committee, he was appointed in 1947 to the Court of Inquiry into a dispute between employers and workpeople of the National Joint Council for the Port Transport Industry. This was a prelude to his work on the same subject during the 1958 strike, with Brigadier L.C. Mandleberg and Martin Pounder.

In 1955 Cameron chaired a report along with Sir Colin Anderson of P&O and Harry Douglas of the Steel Workers Union in a dispute between the British Transport Commission and the National Union of Railwaysmen, who were represented by their formidable general secretary Jim Campbell. Cameron contended that the argument used by the commission in past negotiations, that they found themselves unable to pay rates which they might agree to be proper because of certain terms of their financial constitution, was not only undesirable in that nationalised industry but also unsound in the light of figures provided by the British Transport Commission. and should not be repeated.

It was Cameron too who chaired the Court of Inquiry, the

Red Adair of industrial confrontations: Cameron at the Briggs hearing, 1957. Photograph: Hulton Getty

Jimmy Rowles

"I think Jimmy is one in a million. Actually, he's unique in the universe. His genius is also the best-kept secret to the public at large since Mona Lisa's smile." Stan Getz was not known for giving lavish praise, but in writing of the pianist Jimmy Rowles he understandably went over the top. Getz continued: "Of course, insiders have known this for a long time, e.g. Frank Sinatra, Peggy Lee, and Sarah Vaughan know it... Johnny Mercer and Billie Holiday knew, so did Lester Young and Charlie Parker."

Rowles, who took his surname from his stepfather, was to number amongst his friends Duke Ellington and Erroll Garner, and as a jazz pianist he was different from but as effective as either of them. His playing was characterised by its originality and instinctive good taste. When accompanying vocalists he had an uncanny ability to predict what was going to happen next and to provide a perfect cushion for it which could be unanticipated by both the singer and the listener. He was so capable an instrumentalist that only the great all-rounders like Hank Jones and Tommy Flanagan are worthy of mention in the same breath, and that is

not to say that they are as good. Certainly they did not have his sense of humour for, although basically refined, he was also a rebel.

On one occasion Rowles was at a rather staid club, Brady's, in Greenwich Village, when he was invited to the table of his bass player, George Mraz. Mraz was sitting with his girlfriend Judy and a man whom he introduced as a singer. "I didn't know who the hell he was," Rowles remembered. "Never heard of him before."

"He's a famous opera singer," said Judy. Over several drinks Rowles and the singer talked about music. "Sing me something!" demanded Rowles. "Let out a roar! If you don't I will." The singer obliged. "RrroooOOORRRR!" The horrified owner of the club ran across the floor and said "Don't ever do that again!"

"He and I are gonna do an opera together," said Rowles. "Right, Pia?" "That's right, Jim!" said Plácido Domingo.

Rowles hated the piano lessons of his youth in Spokane, Washington. His stepfather wanted him to become a lawyer and Rowles enrolled at a law college where he met a fellow

student, a Blackfoot Indian called Tom Brown. Brown made Rowles listen to his first jazz records. "Tom was a genius. He played me records of people like Ben Webster and Benny Carter and he'd point out the inner voices. 'Get inside the music,' he told me."

"After a year or so Marshall Royal came through Spokane with his band and I played for him. He told me I had to go to Los Angeles, so I did. My father thought I was still in law school."

This was 1940. In Los Angeles, Rowles first worked at the 331 Club where he nervously took his place amongst stars like Slim Gaillard, Art Tatum and the Nat Cole Trio.

At this time Rowles met

Ellington's tenor player Ben Webster – the beginning of a lifelong friendship. Through Ben he became a familiar of Ellington, Jimmy Blanton and the other legendary Ellingtonians, and before long moved to Billy Berg's as Lester Young's pianist. Ben Webster recommended him to Benny Goodman and he joined Goodman's big band. When he saw a couple of Goodman's sidemen demolished by the infamous "BG Ray", a mindless and musical

fatal stare, he knew that, rebel as he was, his days with Benny were numbered. Rowles moved to Woody Herman's band.

He went into the army in 1942. "I was lucky enough to be in the Special Services with Gil Evans for 16 months. It was like a free education. When I got out of the army I was holding up my first drink when the phone rang – it was Woody." When Herman disbanded in 1946 Rowles rejoined Goodman for a few months and worked in the bands of Les Brown and Tommy Dorsey.

"It was about that time that I started to record dates. Peggy Lee came along and I worked for her. Some people at 20th Century Fox wanted her to sing something for some movie. While we were there some guy said he liked the way I played and would I come over for some of the studio orchestra calls. I really didn't think I could handle it, but he thought I could. I started to get calls and, before I knew it, 25 years had passed."

His studio work in Hollywood left Rowles with plenty of opportunity to make jazz records and he did, most notably a long series with Billie Holiday and Ben Webster.

He moved to New York in 1973 as an established soloist. It was then that he worked and recorded with Stan Getz, notorious for his unpredictable personality. "It was like working with a different guy every night," said Rowles. "It was like he had multiple personalities a lot of times, but we got along real good." ("Stan Getz?" recalled Zoot Sims. "A nice bunch of guys.")

Getz's record company, CRS, tried to persuade him to make albums with commercial appeal. He agreed, as long as they would also let him make jazz albums by artists of his own choosing. The first and, as it transpired, only result of the second part of the bargain, was the album *The Peacocks* (1977), which Getz had planned as a solo album by Rowles. In the control room as Rowles played, Getz became carried away and left to return with his tenor sax. A series of masterpieces resulted.

"Jimmy reminds me of another James – Thurber," said Getz. "His acerbic wit is legendary, but few people know the scope of his skills, ranging from drawing (Thurberish), tennis (Mittyish), singing (indescribable Nat Coleish) and writing

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Rowles was an ideal accompanist who had an unusually retentive memory for songs. "He's a champ," wrote Peggy Lee in her autobiography, and other singers who benefited from his talent included Kay Starr, Julie London and Betty Hutton. He toured with Ella Fitzgerald as her accompanist from 1981 to 1983, a job which he came to test, and then returned to California where he worked in the night-clubs which he had come to loathe even more.

A couple of years ago Rowles recorded an outstanding album in London with Norma Winstone, one of the best British singers. Despite the fact that his health had failed to the stage where he had to keep taking oxygen throughout the session, the result was one of his best partnerships.

Rowles made innumerable albums under his own name, all typified by the same quality and sound of surprise, often in duos and trios and sometimes with his trumpet-playing daughter Stacy. Each counts as a great mu-

Cardinal Léon-Etienne Duval

The coincidence was tragic. On the same day that the bodies of the seven French Trappist monks who had been murdered by Islamic terrorists were discovered in the Atlas Mountains, Monsignor Duval, former Archbishop and Cardinal of Algiers, died in that city at the age of 92.

Such is the atmosphere amongst Christians and their sympathisers in Algiers, a pitifully small group, that the rumour grew that the Cardinal had been assassinated. But he died a natural death, his last days saddened by the kidnapping and the killing of the monks. A Mass was said for all of them in Algiers on Sunday.

But there is an important difference. The Algerian government was slow to send condolences about the seven monks, who were kidnapped on 27 March. But as soon as he heard of the death of Cardinal Duval, the President of Algeria, President Zeroual, hastened to his house near Notre Dame d'Afrique to pay homage. He also issued a statement, praising a man who everybody knew to be pious and just.

It was natural that the President should behave differently towards the Cardinal. He had known him for many years and respected him. But there is also a political reason. The monks at Tibehirine spent their lives in prayer, carrying out ordinary tasks, and helping the population that surrounded them, especially the sick. They made no attempts at conversion and played no role in the present conflicts. But for Duval it was different. He was in the tradition of the Christian church in Algeria. They assisted in the process of colonisation, often attacked by the anti-clerical officials of the Third Republic.

They played their role in two world wars, assisting French armies. And then it was the war of independence, and Duval came to Algeria, as Bishop of Constantine, in 1947, just two years after the first explosion of revolt had taken place at Sétif, some 60 kilometres west of Constantine. He became Bishop of Algiers in 1954, as the real war of independence began.

From the beginning of his mission in Algeria, Duval became one of the leaders of those who believed that it was possible for an agreement to be made between the French and the nationalists. In Algiers, this group was varied, including French and Algerian liberals, university and school teachers, certain trade-unionists, and members of the Algerian communist party. Duval was particularly influential with Catholic students who had a strong base in their Centre Catholique Universitaire, which attracted many visitors.

Douglas Johnson

León-Etienne Duval, priest; born Chénex Haute-Savoie 9 November 1903; ordained priest 1926; consecrated Bishop of Constantine and Hippo 1946; Archbishop of Algiers 1954-88; created Cardinal 1965; died Algiers 30 May 1996.

James George Hunter (Jimmy Rowles), pianist, composer, arranger; born Spokane, Washington 19 August 1918; died Los Angeles 28 May 1996.

Photograph: David Redfern

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New
moves
avert
postal
strike

Three-day event for a champion converted to the demerger school

It could be described as "Erie's week". Sir Ernest Harrison, who embraced the demerger philosophy long before it attracted Lord Hanson, is parading the three companies where he is chairman and, despite his 70 years, still guiding light.

The life-long Arsenal supporter likes to treat the City to a three-day show. So tomorrow he will offer Vodafone's results, on Wednesday it is the turn of Racal Electronics and Chubb Security has its date with the stock market on Thursday. Born in Hackney, the son of a docker, Sir Ernest started as a £650-a-year accountant and company secretary with Racal at the time the business was launched in 1951.

His conversion to the demerger school of thought was almost certainly inspired by hostile takeover bids.

Vodafone was lured off from Racal, partly to thwart the predatory ambitions of Cable

and Wireless, which had lost out to Racal in 1983 over a mobile phone network. Then, a few years later, when Williams Holdings launched an attack, the demerger of the Chubb security locks business proved a successful ploy.

Vodafone, by far the biggest of the Harrison creations with a market value of £7.9bn, should indicate that despite increased competition, largely from Cellnet and the emergence of Orange as a serious rival, it has continued to prosper with overseas growth outstripping expectations.

NatWest Securities recently nudged its forecast higher to £7465m; last year's figure was £371m.

Racal should manage a 12 per cent gain to £98m and Racal, now dwarfed by Vodafone, should produce a 21 per cent advance to £59m. Racal has been quite aggressive, buying businesses from Thorn and BTR which should help offset

the expected profit decline at some of its more traditional operations and losses in the US.

It should also have reaped rich rewards from Camelot, the money-spinning lottery business. A contribution of around £16m from the 22.5 per cent stake is expected and Racal's income is also swollen by supplying equipment for the national gambling machine.

De La Rue, the banknote and security printer, is another cashing in on the lottery, it also has a 22.5 per cent stake.

But lottery loot will not prevent a profits setback. Louise Barton at Henderson Crosthwaite sees a modest decline from £146.6m to £145m; others are more fearful.

The group has had a poor time, blighted by profit warnings which led to its demotion from the FTSE blue chip index. Its shares, rising at around 1,000p when Portals, the security paper group was acquired two years ago, have fallen from

948p to a 632p low in the past year; they are now 718p.

De La Rue shares were weak last week, going against the market which, as mea-

Govett believes equities are some 5 to 10 per cent overpriced and retains a 3,500 year-end target.

The flow of water profits continues this week with Thames and Yorkshire offering figures. Thames, like so many privatised utilities, has been forced to admit it should have stuck to its core business and is abandoning diversification. Hence it will take a hit tomorrow with £25m provided for asset write downs and reorganisation costs and goodwill of £30m, previously written off against reserves, will be charged against profits.

The company has said its normalised profit will grow "approximately twice the rate of inflation" which leads to the conclusion it should be £320m up 5.3 per cent. The dividend should, however, grow, perhaps by 12 per cent to 28.3p.

Yorkshire Water will face the market on Wednesday following a year in which it was held

to ridicule as the drought forced it to truck water across the Pennines, resort to standpipes, introduce various bans and even suggest to its customers they should cut down on their washing habits.

Pilkington, another Thursday company, should produce a 39 per cent profit advance to £215.5m and even adjusted profits, say £58m, will look good against last year's £28.8m loss. The glass maker operates in a tough market and there are indications prices are coming under increasing pressure.

Empel, the media group, reports tomorrow with perhaps £85m against £63.9m. It is widely believed it will move to cut its debt mountain by unloading at least some of its regional newspapers, the foundation of the group.

Others due this week include National Grid (£600m against £569.2m); Northern Ireland Electricity (£48.8m from £86.6m) and Siebe, the engineer which recently acquired United, with £327.5m compared with £275.1m.

STOCK MARKET WEEK

DEREK PAIN

Stock market reporter of the year

De La Rue

De La Rue is a company that has been through a difficult period. It has seen its share price fall significantly over the last year, from a peak of 1,000p to a low of 632p. This has been driven by concerns about the company's financial performance and its ability to compete in the market. The company has responded by making significant changes to its structure, including the sale of its security printing business to a private equity firm. This has helped to improve its financial position, but the share price remains volatile. The company is currently trading at 718p, which is below its 12-month average of 800p. The market is likely to remain uncertain until further news is released.

Share Price Data

Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex Rights x Ex Dividend a day all Uisted Securities Market's Suspended Source: FT Information

The Independent Index

The rates allow you to access real-time share prices by phone from Seco. Simply dial 023 333, followed by the 4-digit code printed next to each share. To access the latest financial reports dial 023 333 followed by one of the two digits below

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UK Stock Market Report 01 Bulletin Report 05 Water Shares

UK Company News 02 Wall St Report 20 Electricity Shares

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Independent Index, including its portfolio facility, phone 0891 223 333. Call cost 50p per minute (cheap rate), 40p at all other times. Call charges include tax

Interest Rates

US Prime Discount 600% 650% 700% 750% 800% 850% Japan Discount 500% 550% 600% 650% 700% 750% Eurozone Discount 450% 500% 550% 600% 650% 700% Switzerland Discount Lombard 150% 175% 200% 225% 250% 275%

Oil & Gas

WTI Crude Oil 140 140 140 140 140 140 Brent Crude Oil 140 140 140 140 140 140 Nymex Crude Oil 140 140 140 140 140 140 Nymex Heating Oil 140 140 140 140 140 140 Nymex Gasoline 140 140 140 140 140 140 Nymex Diesel 140 140 140 140 140 140 Nymex Kerosene 140 140 140 140 140 140 Nymex Lubricating Oil 140 140 140 140 140 140 Nymex Fuel Oil 140 140 140 140 140 140 Nymex Natural Gas 140 140 140 140 140 140 Nymex Propane 140 140 140 140 140 140 Nymex Butane 140 140 140 140 140 140 Nymex Ethane 140 140 140 140 140 140 Nymex LPG 140 140 140 140 140 140 Nymex Crude Oil 140 140 140 140 140 140 Nymex Heating Oil 140 140 140 140 140 140 Nymex Gasoline 140 140 140 140 140 140 Nymex Diesel 140 140 140 140 140 140 Nymex Kerosene 140 140 140 140 140 140 Nymex Lubricating Oil 140 140 140 140 140 140 Nymex Fuel Oil 140 140 140 140 140 140 Nymex Natural Gas 140 140 140 140 140 140 Nymex Propane 140 140 140 140 140 140 Nymex Butane 140 140 140 140 140 140 Nymex Ethane 140 140 140 140 140 140 Nymex LPG 140 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NIGEL COPE

Stephen Hinchliffe was preparing to mount a bid to buy his stricken Facia retail group from the receivers yesterday just a day after the company collapsed.

Though Mr Hinchliffe was unavailable for comment, he was understood to be in Sheffield holding meetings with potential financial backers in an attempt to regain control. "He is not just taking it lying down," one source said.

Receivers to Facia, KPMG, said they had only spoken briefly to Mr Hinchliffe on Saturday and had not heard from him since. "He has made no move," said Tony Thompson of joint receivers KPMG. It is understood that Mr Hinchliffe's co-operation is not being sought as he was not involved in the day-to-day running of the business.

Mr Thompson said he had received expressions of interest from eight different parties, including existing UK retailers, of which four were for more than

one part of the group. There have been expressions of interest from the management of two of the trading businesses. There is one interested buyer for the whole group though this has come from outside the company.

However, it is possible that Gary O'Brien, Facia's chief operating officer, may be interested in tabling a bid for the whole of Facia.

The receiver includes the

Though he declined to confirm this yesterday, he said that he felt the strategy of bringing together a number of high street brands and reducing the central overheads was a sound one. "There weren't significant problems. The group was just under-capitalised. These are still good little businesses. The baby was suffocated before it had a chance to grow."

The receiver includes the

KPMG said all the Facia stores were trading normally and that there were no plans to close any of the 500 shops included in the receivership. A spokesman said the news had been well received by staff as it had "removed some uncertainty". Facia employs 8,500 staff in total, including 1,000 in the shoe shops.

Facia parent company as well as five of the trading subsidiaries, Salisbury's Contessa, Oakland, Torq and Red or Dead.

Sears will go to the high court at noon today where its petition to place Facia's UK footwear businesses into administration will be heard. This concerns the shoe chains Saxon, Curteess, Manfield, Trueform and Freeman Hardy Willis.

The receivership does not include the Sock Shop chain,

which has separate banking agreements with Bank of Scotland. KPMG will meet the bank today.

Also not included are the Beta chain of shoe shops in Germany, which are owned by Mr Hinchliffe personally. The Colibrifighter business and French and Scott, a cosmetics company.

According to the receivers, Facia collapsed with debts of £30m. Management accounts show a loss of £9m in the past 16 weeks.

Sears' decision to serve a petition for administration on Facia's footwear business and take a £25m exceptional charge to cover property sales and Facia's debts will place further pressure on chief executive Liam Strong.

It has emerged that under the terms of Sears deal with Mr Hinchliffe, Sears still owned all the stock in the shoe stores such as Freeman Hardy Willis, Saxon and Curteess. Sears also paid the staff wages and then was reimbursed by Facia. The store leases had not been transferred to Facia and now revert to Sears. Sears slumped to a £120m loss last year, due in part to the £54m loss on the shoe deals with Mr Hinchliffe.

A Sears spokesman justified the deal saying it was the only one on offer. "It was that or close them down," he said.

1,000 jobs to go in WH Smith shake-up

NIGEL COPE

WH Smith will announce a radical shake-up of its operations next week which will see more than 1,000 job losses and the closure of its London head office, which costs around £25m a year to run.

Smith's will abandon the expensive premises behind Sloane Square where several hundred staff are employed. A handful will be transferred to a cheaper London location though this has not yet been named.

Most of the job cuts will be at the Swindon offices where the core WH Smith retail chain is based. A shake-up of senior management is also expected.

The changes are the fruits of a three-month review of the business undertaken by new chief executive Bill Cockburn, who joined the company from the Post Office.

He is also expected to make an announcement on Do It All, the loss-making DIY chain it jointly owns with Boots. Mr Cockburn is likely to signal his desire to sell the chain as its closure would be too expensive.

WH Smith will need the agreement of Boots, which announces its results this week. Boots is under less pressure to bite the bullet on Do It All as it has net cash of almost £60m.

Candidates to buy all, or more likely, parts of the 197-strong chain include market leader B&Q and Wickes. Sainsbury's Homebase may be interested, though it is still integrating the Texas Homecare stores it acquired from Ladbrooke last year. There could be interest from foreign buyers.

Mr Cockburn, who joined WH Smith from the Post Office, is expected to announce plans to focus more on the main WH Smith brand, which has been suffering from falling footfall on the high street and increased competition from supermarkets.

Mr Cockburn is thought to be keen to increase sales and margins at the stores. Almost 40 per cent of WH Smith customers leave without buying anything. The average spend is only £5.

BT line rentals

In Saturday's edition of the paper we incorrectly reported that the increase in BT's line rental charges from July would add £36 a year to domestic telephone bills. This was due to a typographical error. The figure should have read £3.60.

Photograph: Edward Webb

Higher tax predicted for BSkyB

MATHEW HORSMAN
Media Editor

There is a growing risk that BSkyB, the satellite broadcaster owned 40 per cent by Rupert Murdoch, will face sharply higher tax charges after 1998, a City investment house will argue in a report published this week.

The risk is expected to grow year by year, as non-terrestrial broadcasters take an ever-increasing share of advertising revenues.

According to a source familiar with the Hoare Govett report, "if the Government believes the TV industry makes super-normal profits and should pay super-normal taxes, then it will become increasingly inevitable that broadcasters pay a share".

BskyB, which currently benefits from tax losses built up in the early 1990s, when the expensive network was being developed, is expected to be liable for corporation tax by 1998, and City analysts have assumed as much in their forecasts.

But an additional tax, in the form of a payment based on advertising share, would be an added burden on the company, and could materially affect its high rating in the stock market.

Hoare Govett will add that BSkyB already faces increased regulatory risk as a result of an Office of Fair Trading investigation into its relationship with the cable industry, to which it supplies pay-TV programming.

Extending the base to include BSkyB would require new legislation, as the company operates a non-domestic satellite service and has not had to bid for frequencies or pay levies on its service.

pays to the Treasury. This could encourage a Labour government to extend the tax base to include satellite broadcasters as well, which currently do not pay licence fees or the special "percentage of qualifying revenue" levied on the ITV sector.

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Australian entrepreneur takes Eurobus across the border

A little-noticed feature of the Maastricht Treaty was the deregulation of coach travel in Europe which ended the requirement on bus companies to return cross-border travellers to the country of embarkation. For the first time it is legal for travellers to hop on and off buses in the same way as they have for years with inter-rail tickets, writes Tom Stevenson.

It has been an Australian backpacker to spot the loophole and create a business, Eurobus, in its wake. Max Thomas (pictured above), who has been in the travel business in the UK for 12 years, is now coming to Ofex, the unregulated

ed market run by jobber JP Jenkins, to raise £750,000 to replace his rented fleet of nine 49-seater buses with eight fully owned 78-seater double deckers.

The buses will continue to serve Eurobus's two routes, one taking in 23 European cities and the other an 11-city UK tour. Passengers can jump on to the bus at any one of the stop-off points as many

times as they like during the validity of the ticket, anything from one to three months. On board telephones and fax machines, and guides on each coach mean accommodation can be booked in transit for independent travellers who don't want to commit themselves to an itinerary in advance. A computerised tracking system enables passengers to be located on

any route and for messages to be relayed. Within Europe there is a daily service supplied three times a week by services from London to Paris and Amsterdam.

A one-month Eurobus ticket costs £180 compared to £249 for a comparable Inter-Rail ticket. The offer for subscription of up to 3.75m shares at 20p, reduces the stake of Mr Thomas and a group of five individuals who initially backed the venture to 75 per cent.

Eurobus, which has been trading for a year, sold 7,900 passes in the nine months to December 1995.

Photograph: Edward Webb

Addis family finally sees the Wisdom of selling out

MICHAEL HARRISON

The Addis family, the business dynasty that invented the toothbrush and gave its name to the ubiquitous pedal bin, has cashed up.

Wisdom Toothbrushes, which was launched by the Addis' during the war and grew to become Britain's leading toothbrush manufacturer, was yesterday sold to a management

buy-out team for a little under £15m.

The sale follows a £20m management buy-out earlier this year of Addis Housewares and marks the virtual end of a relationship between the family and everyday domestic utensils going back 200 years.

William Addis is credited with inventing the toothbrush in 1780. For 160 years they were made from pig's bristles and

wood but in 1940 the Addis' invested in plastic injection moulding equipment and the modern toothbrush was born.

Pan scrubbers, plastic vegetable racks and, of course, the washing up bowl soon followed.

The new keeper of the Addis tradition is Brian McMullen, chief executive of Wisdom since 1994, who has bought the company with three other directors and the venture capital group 3i.

to propose abolishing controls on the prices charged to large business customers and relax the limits on how much domestic bills can be increased by.

But he is likely to insist that the new price control formula is "indivisible" from general powers he is seeking to curb any anti-competitive behaviour by BT as the market is deregulated.

Mr McMullen will have a controlling 51 per cent stake in

BT will be referred automatically to the Monopolies and Mergers Commission if it refuses to agree to a new anti-competitive clause being written into its licence.

BT is presently not allowed to

raise charges by more than inflation less 7.5 percentage points. In March, Mr Crickshank proposed price rises should be

capped at RPI less 5.9 per cent for the four years from July 1997.

At the top end of the range that would have cut the average domestic bill by £50 a year.

He is thought to have been

persuaded by industry-wide representations that to set the price cap so tightly would prevent rival operators entering the market, thereby stifling competition.

posed to," laments Mr McMullen. "The dentists' recommendation is that they should be changed every three months.

In Japan they buy a new one every two months but here it is every nine or ten months."

The Addis name has not

died altogether - Oliver Addis will continue to run Addis Australia. There is also the Addis Smokers toothbrush - but it is fast becoming a collector's item.

Source: FT Information

STOCK MARKETS

FTSE 100

Indices

Close Week's chg Change %pt 1995 High 1995 Low Yield %

FTSE 100 3747.80 -4.3 -.9 3657.10 3639.50 4.03

FTSE 250 4510.00 +20.0 +0.4 4568.60 4015.30 3.34

FT 350 1900.30 +0.3 +0.0 1945.40 1816.60 3.68

FT Small Cap 2229.72 -4.2 -.9 2241.97 1954.00 2.92

FT All Share 1865.78 -0.1 -.0 1824.17 1791.95 3.80

New York * 554.18 -19.7 -2.1 5778.00 5032.94 2.15

Tokyo 21550.19 +15.8 +0.7 2228.05 19734.70 0.72†

Hong Kong 11264.73 +24.6 +2.2 11594.90 10204.87 3.28†

Frankfurt 2542.81 +0.6 +0.0 2570.70 2233.36 1.88†

Source: FT Information

INTEREST RATES

UK interest rates

US interest rates

Japan interest rates

Germany interest rates

Switzerland interest rates

Main Price Changes

Bond Yields *

Index 1 Month 1 Year Medium Term (3) Year Ago Long Term 03/Year Ago

UK 6.00 6.38 8.15 7.71 8.26 7.78

US 5.28 5.65 6.85 6.09 6.99 6.53

Japan 0.50 0.75 3.16 2.90 - -

Germany 3.41 4.00 6.83 6.55 7.13 -

Switzerland 1.50 1.75 2.00 1.75 2.00 -

All rates are quoted current rates

*All rates are quoted current rates

Source: FT Information

CURRENCIES

£/\$

£/DM

£/Yen

£/Euro

Dollar vs.



GAVYN DAVIES

'Should we be satisfied with the UK's performance? The Deputy Governor of the Bank of England, suggests not. He points out that the share of investment in GDP in the UK is much less than in other comparable economies - a matter of considerable concern'

Common sense should prevail to promote investment

It is sad in many ways that the role of investment in promoting a high standard of living and faster economic growth has become a political football in the UK, since many common sense propositions which most sensible people would instinctively believe are now the subjects of acrimony and distortion.

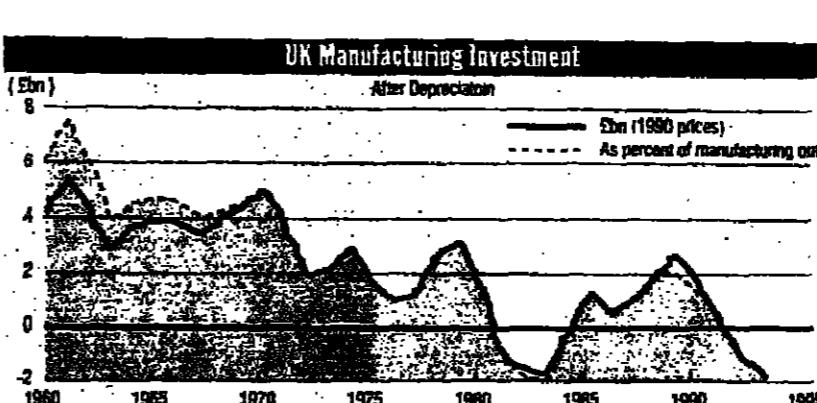
The common sense propositions that I have in mind are that more capital investment is better than less; that the quality of investment is as important as the quantity; that it is crucial to invest in people as well as in machines; that technical progress is easier to introduce when investment is high; and that public policy should feel a responsibility to address all of these areas. If you already share these common sense propositions - if you are, for example, Gordon Brown - please stop here, lest the remainder of this column should shake your sensible beliefs. For the rest, please read on.

Should we be satisfied with the UK's investment performance? A recent speech by Howard Davies, Deputy Governor of the Bank of England, suggests not. He points out that the growth in investment since the trough of the last recession has been much less than that following the two previous downturns, and that the share of investment in GDP in the UK is much less than in other comparable economies. He believes this to be a matter of considerable concern, though he points to some

mitigating facts. While investment has risen less than usual in the present recovery, it also fell by less in the last recession, so it is natural to expect a smaller bounceback. Investment in plant and machinery has been less disappointing than that in construction, which may be less important for boosting growth. Furthermore, in reality the level of equipment investment may have been greater than shown in the official data, reflecting a much greater fall in computer prices than the official statistics have allowed.

The government takes these extenuating arguments one stage further, claiming that new forms of investment have become much more productive than in earlier periods, and that the sluggish rise in capital spending in the past couple of years is therefore no cause for concern. There may be some truth in this, since there is plenty of anecdotal evidence that firms are now able readily to enhance the productive potential of old machinery by "tweaking" it with a new piece of computer technology. But this argument should not be taken too far. Business surveys show that firms feel constrained by a shortage of capacity in 1994, after only a modest bounceback in manufacturing output, and recent surveys suggest that even in the service industries capacity utilisation is reported to be high. This indicates that the UK is still plagued by its old problem of capacity shortage during an upswing.

Should we be satisfied with the UK's investment performance? A recent speech by Howard Davies, Deputy Governor of the Bank of England, suggests not. He points out that the growth in investment since the trough of the last recession has been much less than that following the two previous downturns, and that the share of investment in GDP in the UK is much less than in other comparable economies. He believes this to be a matter of considerable concern, though he points to some



Source: Economic Trends, April 1996

Still more important is the question of whether UK investment is too low on average over the cycle, and whether this is responsible for depressing our long-term trend rate of economic growth. This proposition, which is at the heart of Labour's economic analysis (and which is not particularly denied by the Tories), has been the subject of recent attack, including from Bill Martin of UBS, who seems to think that extra investment is unimportant. His argument, which reflects a raging debate in the academic community, rests on two strands.

First, he says that higher investment over the long term will not lead to higher growth.

Why? Because of diminishing returns to scale. Every extra unit of equipment that is added to the capital stock produces a smaller return in extra output than the previous unit, so any benefit to growth is temporary.

Even if this is true, I would argue it is irrelevant, because a temporary boost to the growth rate of capital and output leaves the absolute quantity of each at permanently higher levels, even after the growth rate has returned to its original state. The US and the UK may now be growing at similar trend rates, but because the level of the capital stock and output is higher in the US, America remains permanently better off than Britain. If extra

investment can temporarily boost the growth rate of output, while permanently boosting the level of output, that is a goal well worth pursuing - end of story.

What is more, there are severe doubts whether the law of diminishing returns actually applies in the real world. New growth theorists such as Paul Romer, Brad de Long and Larry Summers (all American, unfortunately) claim that returns to investment can often be increasing rather than diminishing, especially if investment takes the form of new plant and equipment in manufacturing, or of extra education and training for the workforce. If true, then these forms of investment should permanently boost the growth of output, as well as its level.

If extra investment is a good thing, what can we do about it? Some obvious steps seem to be worth trying - for example, cutting the budget deficit to reduce interest rates, emphasising low inflation and macroeconomic stability, tilting public spending away from social security and towards infrastructure spending and education; restoring incentives for R&D and training; and encouraging companies to retain rather than to distribute profits. Even if these measures were to boost productivity growth by only a fraction of a decimal point each year, they would pay handsome dividends over a decade or two.

Investors are betting that EDS will go shopping in the telecoms market. David Usborne reports from New York

Computer colossus looks to life after spin-off from GM

The frequently tumultuous, 12-year marriage between General Motors and Electronic Data Systems (EDS) - the computer outsourcing colossus founded in 1962 by the Texas billionaire Ross Perot - is almost over.

Shareholders in GM are expected to approve the spin-off of EDS within the next few weeks in a deal that will value the company at \$25bn (£16.5bn) and establish it as the largest computer systems management and consulting enterprise in the world. In Britain its myriad client list includes the Inland Revenue, Scotland Yard and Rolls Royce Aerospace. "The current thinking is that it will be done within June," said a London-based spokesman for EDS.

Freed of its conjugal ties to GM, EDS is not expected to linger before expanding its horizons, including through joint ventures and acquisitions. The company, which will retain Les Alberthal - also a Texan and one of Mr Perot's original lieutenants, as its chairman and chief executive - is likely to be especially attracted to telecommunications companies. In recent years it has had brief but ultimately fruitless courtships with Sprint of the US and British Telecom.

Mr Perot, best known for his independent candidacy in the 1992 US presidential race, created EDS with a \$1,000 investment in 1962. The firm gained notoriety from the Texan's fabled insistence on a strict dress code for his employees. He once launched a dramatic rescue of EDS workers captured in Iran and also retained the right to investigate the private lives of those who worked for him. Any-one found to be "living in sin" was shown the door.

Mr Perot made himself into a paper billionaire by taking EDS public just four years after its creation. Then, in 1984, GM scooped up EDS for \$2.5bn believing it would help turn it into the car company of the future. The relationship quickly soured, however. When boardroom bickering between Perot and the then GM chief executive, Roger

Smith, erupted into all-out war in 1986, GM was finally compelled to pay Mr Perot \$700m just to go away. Refusing to leave quietly, Mr Perot said that the payment was a rip-off for GM shareholders. He subsequently set up a rival firm, Perot Systems.

When EDS threatened to sue him, charging that he had breached an agreement not to compete with it, he retorted: "I'll rip their heads off." Mr Perot abandoned his interest in Perot Systems in 1992 to pursue his White House ambitions.

Under GM's wing, EDS none the less flourished, increasing its market value ten times. Still at its original base in Plano, Texas, the company now has 95,000 employees with offices in 22 countries. Its core business, which Mr Perot himself pioneered, remains

to its own payroll. It is a project made more complicated by the changing tax assessments systems since introduced by the Government. EDS has similar contracts with the Department of Social Security, the Vehicle Licensing department in Swindon and the Metropolitan Police. More recent was the signing of a 10-year, £60m contract with Rolls Royce Aerospace.

Granted a tax-free status by the US tax authorities, the EDS spin-off will be achieved by a one-for-one exchange of existing GM Class E shares, which represent EDS earnings, for new common stock in EDS. Final approval of the spin-off was agreed by the GM board in early April. The new shares will be traded in both London and on the New York Stock Exchange. "They are getting a divorce after all these years," noted Marianne Keller, a car industry analyst with Hargan Securities. "But they will both be happier and better off as a result."

"It will give us a freedom to determine our own destiny and to form new business initiatives more easily, given our access to our own common stock," Mr Brown of EDS remarked. "It should also open up new markets that have been blocked until now by the percentage of GM, especially in the automotive industry." As part of its effort to broaden its outlook and raise its profile ahead of becoming independent, EDS has named several well-known new outside directors to its board, including James Baker and Dick Cheney, respectively former US Secretary of State and Secretary of Defense under President Bush.

Under the spin-off deal, EDS will pay GM a one-time alimony dividend of \$500m. Relations between the companies will remain close, however. GM has agreed to continue to use EDS for at least 10 years, although it will be free to seek outside bids from EDS rivals. Contracts with GM currently account for almost one-third of EDS's \$12.4bn in revenues. "It's still the largest outsourcing contract known to man," Mr Alberthal recently commented. Even so, EDS

Under GM's wing, EDS flourished, increasing its market value ten times

the signing of multi-year outsourcing contracts with companies and governments to integrate and manage their information technology systems and, in many cases, take responsibility for the running of their payroll, telephone services, billing accounting and customer-service departments. With the acquisition a year ago of Chicago-based AT Kearney, EDS has also been expanding into more general management consultancy. In 1995, the company reported earnings of \$38.9m.

In Britain, EDS bought SD-Scoion, the computer systems house, in 1991. If made its biggest splash in 1994, however, by winning a ten-year, £1bn, contract to revamp and run the computer systems of the Inland Revenue and absorb the 2,000 employees in the department's IT office on

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SCIENCE

Cracking the 'folding' code of protein molecules could help us to tackle such diseases as Alzheimer's, says Simon Hadlington

The mystery unfolds ...

Britain's relationship with Europe, the potential health of the population, and the future of the cattle-farming industry may all hang on the kinks and bends in a molecule present in the brain. The best scientific hypothesis at present is that mad cow disease and its human analogue, Creutzfeldt-Jakob disease, are caused by a misshapen variant of a naturally occurring protein which corrupts its correctly configured neighbours by causing them to buckle out of shape.

To demonstrate the importance and difficulty of protein folding, Sheena Radford goes to a cupboard at one end of her compact office in Leeds University's Department of Biochemistry and produces a large sheet of paper, perhaps two feet square. The paper is heavily creased and is criss-crossed with red and blue lines creating myriad geometric patterns.

Dr Radford says she had made an origami model from the sheet of paper, had unfolded it and marked all the creases.

"If I asked you to go away and fold this piece of paper along the creases and lines which are already marked on it, without highly detailed instructions, the chances are that you would not be able to make the

original model very quickly." She returns to the cupboard. "In fact, if you fold that piece of paper correctly, it becomes this," she says, triumphantly emerging with a small, neat and surprisingly rigid model of a flat-bottomed boat.

Dr Radford's demonstration is impressive and one that she uses in her lectures as an analogy to what happens in living cells, where the folding of protein molecules – a kind of molecular origami – is fundamental to life. And even the most skilled origamist would look clumsy and slow compared to Mother Nature, who can fold a complex protein molecule spontaneously and with utter precision.

Dr Radford's pioneering work on protein folding, largely carried out during eight years at the Oxford Centre for Molecular Sciences (five as a Royal Society University Research Fellow) and being continued at Leeds, has earned her the Biochemical Society's 1996 Colworth Medal, awarded each year to a scientist under the age of 35 who has made major contribution to biochemistry. It is the first time a woman has won the medal.

The award reflects the strength of British research in what is one of the hottest topics in biomedical science. The central role proteins play

in living organisms is difficult to overstate. Not one activity characteristic of life could occur in the absence of these ubiquitous substances. Indeed, the function of DNA, the genetic material contained in each living cell, is to tell the cell which proteins to manufacture. Once the proteins have been created, they, in effect, do the rest to keep the show on the road.

But unlike DNA, with its elegantly simple double-helix configuration, proteins come in an infinity of shapes and sizes, and the three-dimensional form of a protein is largely responsible for its function. If the shape is wrong, the protein will not be able to do its job.

"When the folding process fails to work properly the consequences can be catastrophic," says Dr Radford. "The list of diseases whose cause can be pinpointed to proteins misfolding is growing almost daily – from cataracts to Alzheimer's disease and cystic fibrosis."

For the past 25 years biochemists have been trying to understand how proteins fold up in nature. It is a hugely complex problem and progress is painstaking. But the intricate mechanics that take place in the living cell are slowly being unravelled and a picture is beginning gradually to emerge.

Proteins are made up of a string of individual molecules, amino acids. As the newly formed chain of amino acids

comes off the production line, it is swathed by other proteins whose job it is to protect the delicate newborn protein from the harsh environment of the cell.

Because of their protective role, these proteins are called "molecular chaperones". In Dr Radford's laboratory one particular chaperone is currently of interest. It is a large structure (in molecular terms) shaped like two doughnuts stacked together, which encapsulates the nascent protein within its central cavity.

Here, the new protein can safely twist and bend until it reaches its

correct shape before it is transported to its final destination within the cell.

The way in which the protein folds is governed by many factors, not all of them understood. For the past 25 years it has been known that the most important determinant of the protein's shape is the sequence in which the different amino acids have been strung together. In fact, it was this discovery, by Chris Anfinsen in the United States, which opened up the whole field of protein folding, and which won

Anfinsen a Nobel Prize in 1972.

Dr Radford's approach to the folding conundrum has been to take proteins whose amino acid sequence is known, to "unfold" them in a test-tube and then to allow them spontaneously to re-fold.

Using a variety of analytical tricks it is possible to follow the re-folding and map it on a computer.

The aim of the work is to derive a set of "ground rules" that govern the folding process to be able to state that a given sequence of amino acids, under

a particular set of circumstances, will fold into a predictable three-dimensional shape.

"Then we will need to learn the ways by which the molecular chaperones ensure that these events can take place in a living cell," says Dr Radford.

"Only when we understand both these facets will we be able to paint a complete picture of Nature's origami."

Such a picture, when it finally emerges, will be a huge asset in developing new ways of tackling the ever-growing list of debilitating "folding diseases".

If you go down to the woods today you do have more of a chance of spotting a water vole, black rat or pine marten than of chancing across a teddy bears' picnic; but your best bet might be a zoo in the New Forest displaying Britain's native mammalian species.

On show at the Nature Quest zoo in Longdown in the New Forest are wild boar, foxes, badgers, wallabies and a wide range of assorted rodents. Wallabies, while not native, are naturalised: they have, apparently, been happily hopping about in Derbyshire since the turn of the century.

Visiting the New Forest to watch British animals in captivity may seem anathema to some, and downright boring to others. But while British wildlife may seem mundane

compared with its more exotic counterparts in mainstream zoos, it certainly isn't a case of familiarity breeding contempt. The British wild cat, for instance, has been reduced to just a few thousand specimens in Scotland as a result of cross-breeding with domestic cats and exposure to domestic cat diseases.

Derek Gow, the curator of the zoo, insists poor presentation is entirely to blame for the bad press that domestic animals get. "In the main when you consider

British mammals you're looking at a ubiquitously shy, retiring group of mainly nocturnal species, not large showy, gaudy African-plains-type animals. But people can go all over the country and see lions, tigers and elephants and there's virtually nowhere in the British Isles you can go to see a water vole."

The company that runs Nature Quest, Vardon plc, has done what it can to simulate the experience of a chance encounter with nature in the wild by displaying animals in

miniature re-creations of both man-made and natural habitats. Brown rats scuttle around a fake garage complete with a rusty car, while ferrets roll about in a simulated paddock.

Viewing of the animals – often through video links and one-way glass screens – is relatively non-intrusive and the stress of captivity is reduced by rotating groups of animals between public displays and private off-display enclosures. Nature Quest hopes to secure planning permission for a board-walk over spacious fenced enclosures in the woodlands surrounding the zoo, which will house low-density populations of wild boar, deer, red squirrels and wild cats.

Derek Gow explains, "People should stretch, stoop and strain. If the animal is just sitting like a blob in a concrete box then we have failed with the concept."

Initial reaction from Nature Quest visitors seems to bear out the hypothesis. Steve Chilcraft, a visitor from Milton Keynes who admits his usual encounters with nature are limited to "an occasional glimpse of a fox at the top of the garden" says: "It is much more adventurous than most wildlife displays. They have made British animals interesting."

Although it is a commercial venture, Nature Quest is forging links with conservation groups and universities with the aim of providing both the stock and the know-how to help re-introduce some species into the wild. Derek Gow cautions: "The New Forest is an interesting woodland and there is a whole range of vertebrate

life that is connected with the forest because of its age and if you go back 500 years you would have found wild boar, wild boar and pole cats. But the heavy grazing regime that it is subjected to obviously influences fairly radically the variety of wildlife habitats. I doubt you'll ever see wild boar again in this country because we don't

have the right habitat to support them. Wild boar, maybe."

Mr Gow's expertise in animal husbandry while breeding animals destined for elsewhere that Mr Gow believes the future lies: "Lots of people jump up and down shouting for

the re-introduction of a whole variety of species but the reality is that it has to be a calm, precise, scientifically methodical project to have any reasonable chance of success.

"If you want to re-introduce water voles, you want to introduce hundreds of them and really blitz a site, and when we have an animal with a problem we have to know something about it," he argues. "Otherwise you end up with a situation like the Mauritius kestrel in Jersey which got down in number to five pairs. What do you do? Bring them into captivity for breeding? But what if they die? You've blown it."

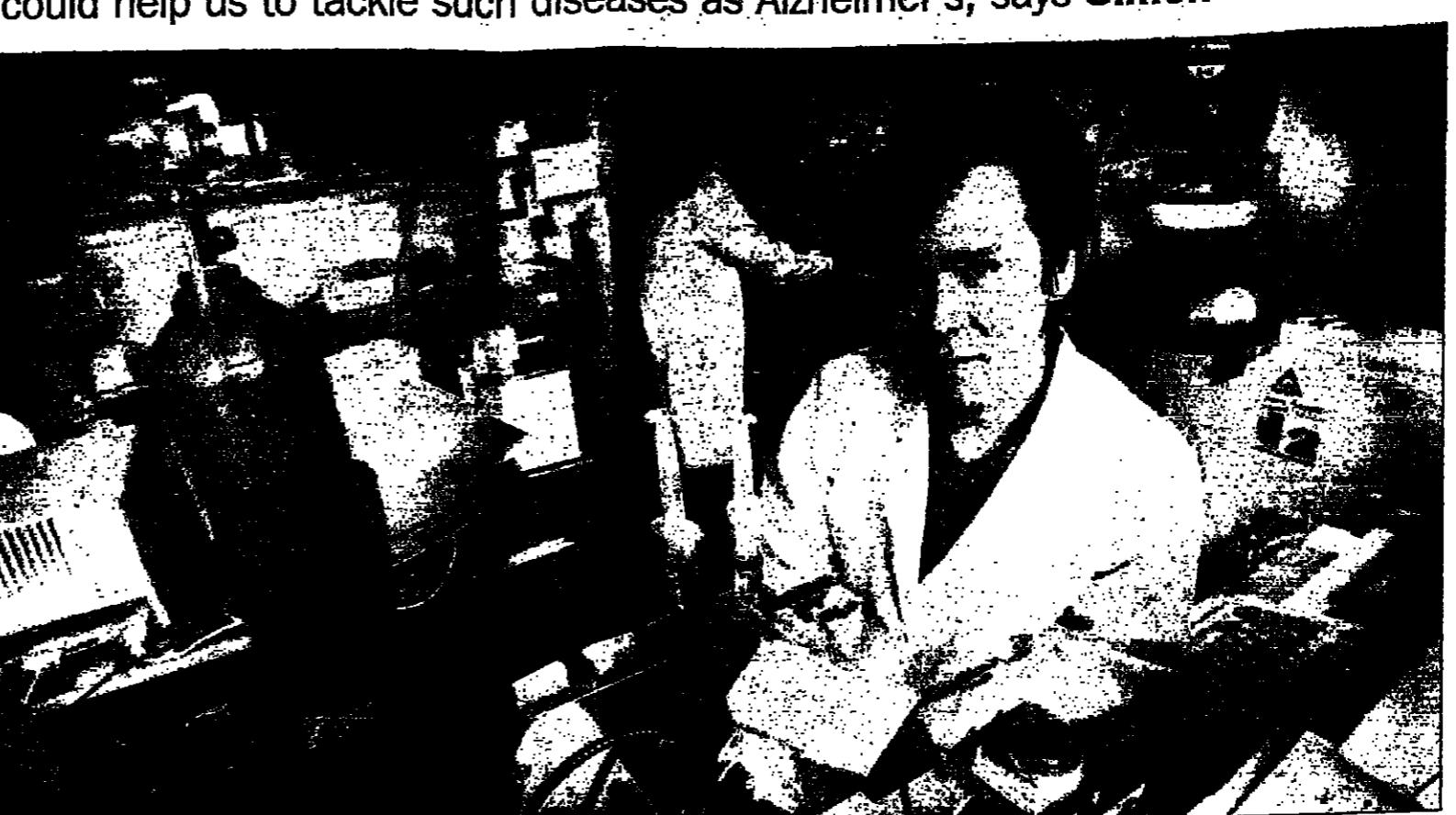


Homespun beauty: a hand-reared vixen at Nature Quest

Photograph: Andrew Hassan

Shy mammals take a walk on the wild side

British animals get a bad press, says Tom Pollar-Strecker, but a new zoo may change that

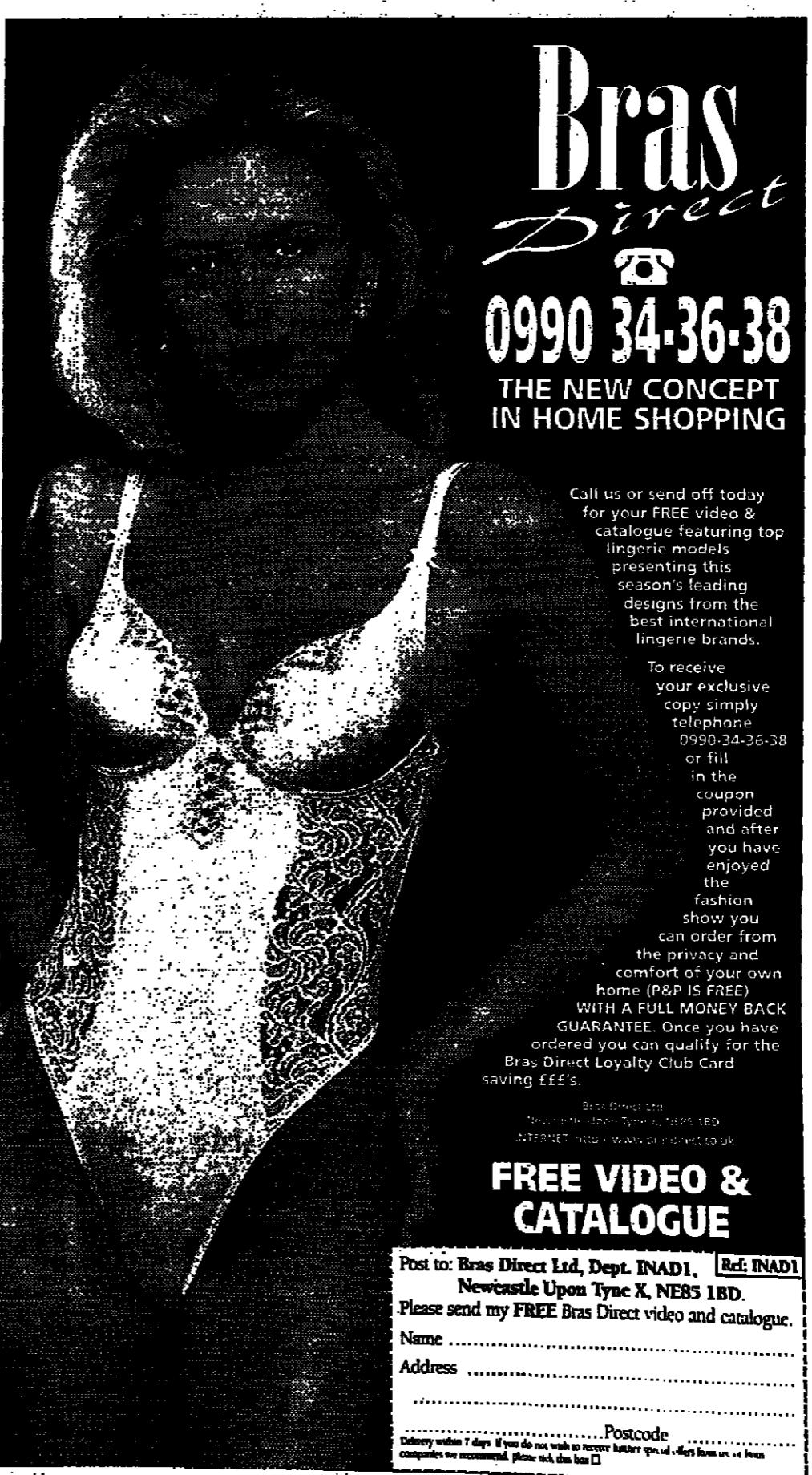


Dr Sheena Radford: she uses origami as an analogy to demonstrate the folding of protein molecules to students

Photograph: Azadour Guzelian

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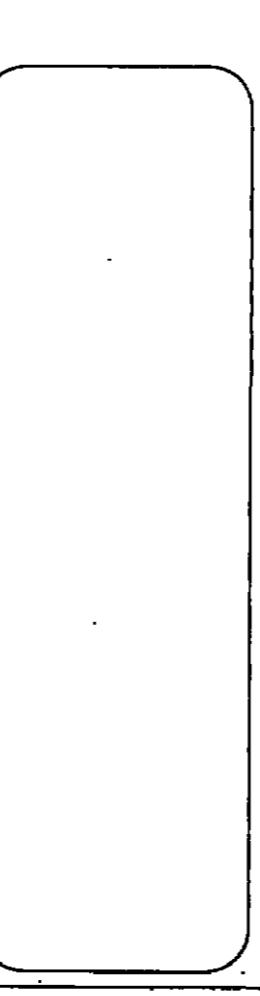
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By Perla

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 - Keep out several turning up first (8)
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